

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

- REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
 ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
 SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report
For the transition period from to .

Commission file number: 001-36535

GLOBANT S.A.
(Exact name of Registrant as specified in its charter)
Not applicable
(Translation of Registrant's name into English)
Grand Duchy of Luxembourg
(Jurisdiction of incorporation or organization)

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Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares value \$ 1.20 per share	GLOB	NYSE

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 41,890,897 common shares of which 157,699 are treasury shares held by us.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transaction report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board
Other

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

TABLE OF CONTENTS

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS	1
CURRENCY PRESENTATION AND DEFINITIONS	2
PRESENTATION OF FINANCIAL INFORMATION	2
PRESENTATION OF INDUSTRY AND MARKET DATA	2
PART I	4
ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS	4
ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE	4
ITEM 3. KEY INFORMATION	4
A. [Reserved]	4
B. Capitalization and Indebtedness	4
C. Reasons for the Offer and Use of Proceeds	4
D. Risk Factors	4
ITEM 4. INFORMATION ON THE COMPANY	29
A. History and Development of the Company	29
B. Business Overview	30
C. Organizational Structure	66
D. Property, Plant and Equipment	66
ITEM 4A. UNRESOLVED STAFF COMMENTS	66
ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS	66
A. Operating Results	67
B. Liquidity and Capital Resources	76
C. Research and Development, Patents and Licenses, etc.	81
D. Trend Information	81
E. Critical Accounting Estimates	81
ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES	81
A. Directors and Senior Management	81
B. Compensation	87
C. Board Practices	90
D. Employees	92
E. Share Ownership	99
ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	99
A. Major Shareholders	99
B. Related Party Transactions	101
C. Interests of Experts and Counsel	101
ITEM 8. FINANCIAL INFORMATION	101
A. Consolidated statements and other financial information	101
B. Significant Changes	102

ITEM 9. THE OFFER AND LISTING	103
A. Offering and listing details	103
B. Plan of Distribution	103
C. Markets	103
D. Selling Shareholders	103
E. Dilution	103
F. Expenses of the Issue	103
ITEM 10. ADDITIONAL INFORMATION	103
A. Share capital	103
B. Memorandum and Articles of Association	103
C. Material Contracts	110
D. Exchange Controls	111
E. Taxation	111
F. Dividends and Paying Agents	118
G. Statement by Experts	118
H. Documents on Display	118
I. Subsidiaries Information	118
ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	118
ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES	120
A. Debt Securities	120
B. Warrants and Rights	120
C. Other Securities	121
D. American Depositary Shares	121
PART II	122
ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES	122
ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS	122
ITEM 15. CONTROLS AND PROCEDURES	122
ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT	123
ITEM 16B. CODE OF ETHICS	123
ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES	123
ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES	124
ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS	124
ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT	124
ITEM 16G. CORPORATE GOVERNANCE	124
ITEM 16H. MINE SAFETY DISCLOSURE	126
ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	126
PART III	127
ITEM 17. FINANCIAL STATEMENTS	127
ITEM 18. FINANCIAL STATEMENTS	127
ITEM 19. EXHIBITS	127

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This annual report includes forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this annual report, including, without limitation, those regarding our future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets in which we operate or are seeking to operate or anticipated regulatory changes in the markets in which we operate or intend to operate. In some cases, you can identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "potential", "predict", "projected", "should" or "will" or the negative of such terms or other comparable terminology.

You should carefully consider all the information in this annual report, including the information set forth under "Risk Factors." We believe our primary challenges are:

- The extent to which the coronavirus ("COVID-19") outbreak and measures taken in response thereto impact our business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict.
- If we are unable to maintain the current resource utilization rates and productivity levels, our revenues, profit margins and results of operations may be adversely affected;
- If we are unable to manage attrition and attract and retain highly-skilled IT professionals, our operating efficiency and productivity may decrease, and we may not have the necessary resources to maintain client relationships and expand our business;
- If the pricing structures we use for our client contracts are based on inaccurate expectations and assumptions regarding the cost and complexity of performing our work, our contracts could be unprofitable, which could adversely affect our results of operations, financial condition and cash flows from operations;
- If we are unable to achieve anticipated growth, our revenues, results of operations, business and prospects may be adversely affected;
- If we are unable to effectively manage the rapid growth of our business, our management personnel, systems and resources could face significant strains, which could adversely affect our operations;
- If we were to lose the services of our senior management team or other key employees, our business operations, competitive position, client relationships, revenues and results of operation may be adversely affected;
- If we do not continue to innovate and remain at the forefront of emerging technologies and related market trends, we may lose clients and not remain competitive, which could cause our results of operations to suffer;
- If any of our largest clients terminates, decreases the scope of, or fails to renew its business relationship or short-term contract with us, our revenues, business and results of operations may be adversely affected;
- Global economic and political conditions could have a material adverse effect on our revenues, margins, results of operations and financial condition; and
- Uncertainty concerning the current economic, political and social environment in Latin America may have an adverse impact on capital flows or other relevant variables and could adversely affect our business, financial condition and results of operations.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Our actual results of operations, financial condition and the development of events may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements. Readers should read "[Risk Factors](#)" in this annual report and the description of our business under "[Business Overview](#)" in this annual report for a more complete discussion of the factors that could affect us.

Unless required by law, we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or developments or otherwise.

CURRENCY PRESENTATION AND DEFINITIONS

In this annual report, references to "Globant", "we", "our", "us" or the "Company" means Globant S.A. and its consolidated subsidiaries, unless the context otherwise requires, or where we make clear that such term refers only to Globant S.A. and not to its subsidiaries.

In this annual report, references to currencies are defined in the following table:

"U.S. dollars" and "\$"	refer to the lawful currency of the United States
"Argentine pesos"	refers to the lawful currency of the Republic of Argentina
"Colombian pesos"	refers to the lawful currency of the Republic of Colombia
"Uruguayan pesos"	refers to the lawful currency of the Republic of Uruguay
"Mexican pesos"	refers to the lawful currency of Mexico
"Chilean pesos"	refers to the lawful currency of Chile
"Rupees" or "Indian rupees"	refer to the lawful currency of the Republic of India
"Reals" or "Brazilian Real"	refer to the lawful currency of Brazil
"Peruvian Sol"	refers to the lawful currency of Peru
"Romanian Leu"	refers to the lawful currency of Romania
"Belarusian ruble"	refers to the lawful currency of Belarus
"euro" or "€"	refer to the single currency of the participating member states of the European and Monetary Union of the Treaty Establishing the European Community, as amended from time to time
"pound", "British Sterling pound" or "£"	refer to the lawful currency of the United Kingdom
"Canadian dollars"	refers to the lawful currency of Canada

Unless otherwise specified or the context requires otherwise in this annual report:

- "IT" refers to information technology;
- "ISO" means the International Organization for Standardization, which develops and publishes international standards in a variety of technologies and in the IT services sector;
- "Attrition rate," during a specific period, refers to the ratio of IT professionals that left our company during the period to the number of IT professionals that were on our payroll on the last day of the period; and
- "Globers" refers to the employees that work for Globant.

"GLOBANT" and its logo are our trademarks. Solely for convenience, we refer to our trademarks in this annual report without the TM and ® symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to our trademarks. Other service marks, trademarks and trade names referred to in this annual report are the property of their respective owners.

PRESENTATION OF FINANCIAL INFORMATION

Our consolidated financial statements are prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and presented in U.S. dollars. Our fiscal year ends on December 31 of each year. Accordingly, unless otherwise indicated, all references to a particular year are to the year ended December 31 of that year. Some percentages and amounts included in this annual report have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

PRESENTATION OF INDUSTRY AND MARKET DATA

In this annual report, we rely on, and refer to, information regarding our business and the markets in which we operate and compete. The market data and certain economic and industry data and forecasts used in this annual report were obtained from International Data Corporation ("IDC"), Gartner, Inc. ("Gartner"), Forrester Research, Inc. and/or one of its affiliates (collectively, "Forrester"), internal surveys, market research, governmental and other publicly available information,

independent industry publications and reports prepared by industry consultants. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We believe that these industry publications, surveys and forecasts are reliable, but we have not independently verified them and cannot guarantee their accuracy or completeness.

Certain market share information and other statements presented herein regarding our position relative to our competitors are not based on published statistical data or information obtained from independent third parties, but reflect our best estimates. We have based these estimates upon information obtained from our clients, trade and business organizations and associations and other contacts in the industries in which we operate.

PART I.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary Risk Factors

The following summarizes the principal factors that make an investment in our company speculative or risky, all of which are more fully described in the Risk Factors below. This summary should be read in conjunction with the Risk Factors below and should not be relied upon as an exhaustive summary of the material risks facing our business. The following factors could result in harm to our business, reputation, revenue, financial results and prospects, among other impacts:

Risks Related to Our Business and Industry

- The COVID-19 pandemic has had a significant and continuing adverse impact upon, and this or other pandemics may have a material adverse impact upon, our business, liquidity, results of operations and financial condition.
- If we are unable to maintain the current resource utilization rates and productivity levels, our revenues, profit margins and results of operations may be adversely affected.
- If we are unable to manage attrition and attract and retain highly-skilled IT professionals, our operating efficiency and productivity may decrease, and we may not have the necessary resources to maintain client relationships and expand our business.
- If we are unable to achieve anticipated growth, our revenues, results of operations, business and prospects may be adversely affected.
- If we are unable to effectively manage the rapid growth of our business, our management personnel, systems and resources could face significant strains, which could adversely affect our results of operations.
- If the pricing structures we use for our client contracts are based on inaccurate expectations and assumptions regarding the cost and complexity of performing our work, our contracts could be unprofitable, which could adversely affect our results of operations, financial condition and cash flows from operations.
- If we were to lose the services of our senior management team or other key employees, our business operations, competitive position, client relationships, revenues and results of operations may be adversely affected.
- If we do not continue to innovate and remain at the forefront of emerging technologies and related market trends, we may lose clients and not remain competitive, which could cause our revenues and results of operations to suffer.
- If any of our largest clients terminates, decreases the scope of, or fails to renew its business relationship or short-term contract with us, our revenues, business and results of operations may be adversely affected.
- Global economic and political conditions could have a material adverse effect on our revenues, margins, results of operations and financial condition.
- We face intense competition from technology and IT services providers, and an increase in competition, our inability to compete successfully, pricing pressures or loss of market share could materially adversely affect our revenues, results of operations and financial condition.

- Our business depends on a strong brand and corporate reputation, and if we are not able to maintain and enhance our brand, our ability to expand our client base will be impaired and our business and operating results will be adversely affected.
- Our labor costs and the operating restrictions that apply to us could increase as a result of collective bargaining negotiations and changes in labor laws and regulations, and disputes resulting in work stoppages, strikes, or disruptions could adversely affect our business.
- Increased focus on our environmental, social, and governance ("ESG") responsibilities have and will likely continue to result in additional costs and risks, and may adversely impact our reputation, employee retention, and willingness of customers and partners to do business with us.

Risks Related to Operating in Latin America.

Latin America

- Latin America has experienced adverse economic conditions that may impact our business, financial condition and results of operations.
- Latin American governments have exercised and continue to exercise significant influence over the economies of the countries where we operate, which could adversely affect our business, financial condition, results of operations and prospects.
- Inflation, and government measures to curb inflation in Latin America, may adversely affect the economies in the countries where we operate in Latin America, our business and results of operations.
- Our business, results of operations, financial condition, costs and operating margins may be adversely affected by fluctuations in currency exchange rates.
- We face the risk of political and economic crises, instability, terrorism, civil strife, expropriation and other risks of doing business in Latin America, which could adversely affect our business, financial condition and results of operations.

Argentina

- Argentina continues to face considerable economic uncertainty.
- The Argentine government, our Globers, and certain labor organizations may take actions that cause us to increase the amount of compensation we pay to our Globers, which could increase our operating costs and adversely affect our results of operations.
- Argentine exchange controls and restrictions limit our access to the FX Market and impair the availability of foreign investments and international credit to us, each of which could have a material adverse effect on our financial condition.
- Blue-chip swap transactions increase our exposure to fluctuations in the value of the Argentine peso, which, in turn, could have an adverse effect on our operations and the market price of our common shares.
- If we do not maintain our registration under the Knowledge Economy promotional regime our results of operations could be adversely affected.

Colombia

- Economic and political conditions in Colombia may have an adverse effect on our business, financial condition and results of operations.
- Any additional taxes resulting from changes to laws regulations or the interpretation of such laws could adversely affect our consolidated results.
- The Colombian government and the Colombian central bank exercise significant influence on the Colombian economy, which could have an impact on our business, financial condition and results of operations.

Risks Related to the Company and the Ownership of Our Common Shares

- The price of our common shares may be highly volatile.
- Holders of our common shares may experience losses due to increased volatility in the U.S. capital markets.
- We may be classified by the Internal Revenue Service as a "passive foreign investment company," which may result in adverse tax consequences for U.S. investors.
- We may need additional capital and we may not be able to obtain it.
- Concentration of ownership among our existing executive officers, directors and principal shareholders may prevent new investors from influencing significant corporate decisions or adversely affect the trading price of our common shares.
- Our business and results of operations may be adversely affected by the increased strain on our resources from complying with the reporting, disclosure, and other requirements applicable to public companies in the United States.

You should carefully consider the risks and uncertainties described below, together with the other information contained in this annual report, before making any investment decision. Any of the following risks and uncertainties could have a material adverse effect on our business, prospects, results of operations, margins and financial condition. The market price of our common shares could decline due to any of these risks and uncertainties, and you could lose all or part of your investment. The risks described below are those that we currently believe may materially affect us.

Risks Related to Our Business and Industry

The COVID-19 pandemic has had a significant and continuing adverse impact upon, and this or other pandemics may have a material adverse impact upon, our business, liquidity, results of operations and financial condition.

The ongoing global COVID-19 pandemic has caused and continues to cause significant loss of life and interruption to the global economy and has resulted in the curtailment of activities by businesses and consumers in much of the world as governments and others seek to limit the spread of the disease, including through business and transportation shutdowns and restrictions on people's movement and congregation. The overall result has been a dramatic reduction in activity in the global economy, a reduction in demand for many products and services and significant adverse impacts to the financial markets.

The extent to which the COVID-19 outbreak impacts our business, results of operations and financial condition in the longer term will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration, spread and severity of the outbreak, the actions taken to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions broadly resume.

In particular, we may experience reduced revenues and/or financial losses as a result of a number of operational factors, including:

- *Client pricing pressure, payment term extensions and insolvency risk* - As our clients face reduced demand for their products and services, reduce their business activity and face increased financial pressure on their businesses, we may face downward pressure on our pricing and gross margins if we make pricing concessions to clients. In addition, in response to the requests of some of our clients, we have granted extended payment terms. We expect that some of our clients will continue to make such requests, which may have an adverse effect on our cash flows from operations. We may also face a significantly elevated risk of client insolvency, bankruptcy or liquidity challenges which may result in a failure to be paid for services we have performed and expenses we have incurred, which could in turn result in us having to take a charge in the period in which the related receivable was written down or written off.
- *Reduced client demand for services* – As a result of the pandemic's impact on our clients, we may experience reduced demand for our services. Among other things, our clients may postpone, cancel or scale back existing and potential projects with us.
- *Delivery challenges* – Due to the closures of many of our and our clients' facilities, including as a result of various orders from national, state or local governments, we have faced and may continue to face, in the near term or in future pandemics, challenges in delivering services to our clients and satisfying contractually agreed upon service levels. The pandemic, particularly in India, but also in Argentina and other countries where we have near-shore or offshore delivery operations for clients, has impacted and may continue to impact our ability to deliver services to clients. Our work-from-home arrangements for many of our employees may increase our exposure to security breaches or cyberattacks. A significant worsening of the pandemic could materially impair our ability to deliver services to clients to an extent that may have a material adverse impact to our business, liquidity, results of operations and financial condition.

The COVID-19 pandemic continues to evolve. The ultimate extent to which the pandemic impacts our business, liquidity, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including the delivery and effectiveness of vaccines, future mutations of the COVID-19 virus and any resulting impact on the effectiveness of vaccines, the duration and extent of the pandemic and waves of infection, travel restrictions and social distancing, the duration and extent of business closures and business disruptions and the effectiveness of actions taken to contain, treat and prevent the disease. If we or our clients experience prolonged shutdowns or other business disruptions, our business, liquidity, results of operations, financial condition and the trading price of our common stock may be materially adversely affected, and our ability to access the capital markets may be limited. To the extent that the pandemic harms our business and results of operations, many of the other risks described in this "Risk Factors" section may be heightened.

If we are unable to maintain the current resource utilization rates and productivity levels, our revenues, profit margins and results of operations may be adversely affected.

Our profitability and the cost of providing our services are affected by our utilization rate of the Globers in our Studios. If we are not able to maintain appropriate utilization rates for our professionals, our profit margin and our profitability may suffer. Our utilization rates are affected by a number of factors, including:

- our ability to transition Globers from completed projects to new assignments and to hire and integrate new employees;
- our ability to forecast demand for our services and thereby maintain an appropriate headcount in each of our talent delivery centers;
- our ability to manage the attrition of our IT professionals; and
- our need to devote time and resources to training, professional development and other activities that cannot be billed to our clients.

Our revenue could also suffer if we misjudge demand patterns and do not recruit sufficient employees to satisfy demand. Employee shortages could prevent us from completing our contractual commitments in a timely manner and cause us to pay penalties or lose contracts or clients. In addition, we could incur increased payroll costs, which would negatively affect our utilization rates and our business.

If we are unable to manage attrition and attract and retain highly-skilled IT professionals, our operating efficiency and productivity may decrease, and we may not have the necessary resources to maintain client relationships and expand our business.

Our business is labor intensive and, accordingly, our success depends upon our ability to attract, develop, motivate, retain and effectively utilize highly-skilled IT professionals. We believe that there is significant competition for technology professionals in Latin America, the United States, Europe, Asia and elsewhere who possess the technical skills and experience necessary to deliver our services, and that such competition is likely to continue for the foreseeable future. As a result, the technology industry generally experiences a significant rate of turnover of its workforce. Our business plan is based on hiring and training a significant number of additional technology professionals each year in order to meet anticipated turnover and increased staffing needs. Our ability to properly staff projects, to maintain and renew existing engagements and to win new business depends, in large part, on our ability to hire and retain qualified IT professionals.

The total attrition rate among our Globers was 18.7%, 13.0% and 14.6% for the years ended December 31, 2021, 2020 and 2019, respectively. If our attrition rate were to continue increasing, our operating efficiency and productivity may decrease. We compete for talented individuals not only with other companies in our industry but also with companies in other industries, such as software services, engineering services and financial services companies, among others, and there is a limited pool of individuals who have the skills and training needed to help us grow our company. High attrition rates of qualified personnel could have an adverse effect on our ability to expand our business, as well as cause us to incur greater personnel expenses and training costs.

We may not be able to recruit and train a sufficient number of qualified professionals or be successful in retaining current or future employees. Increased hiring by technology companies, particularly in Latin America, the United States, Asia and Europe, and increasing worldwide competition for skilled technology professionals may lead to a shortage in the availability of qualified personnel in the locations where we operate and hire. Failure to hire and train or retain qualified technology professionals in sufficient numbers could have a material adverse effect on our business, results of operations and financial condition.

If we are unable to achieve anticipated growth, our revenues, results of operations, business and prospects may be adversely affected.

We intend to continue our expansion in the foreseeable future and to pursue existing and potential market opportunities. As we add new Studios, introduce new services or enter into new markets, we may face new market, technological and operational risks and challenges with which we are unfamiliar, and we may not be able to mitigate these risks and challenges to successfully grow those services or markets. We may not be able to achieve our anticipated growth, which could materially adversely affect our revenues, results of operations, business and prospects.

If we are unable to effectively manage the rapid growth of our business, our management personnel, systems and resources could face significant strains, which could adversely affect our results of operations.

We have experienced, and continue to experience, rapid growth in our headcount, operations and revenues, which has placed, and will continue to place, significant demands on our management and operational and financial infrastructure. Additionally, our decentralized staffing and the increasing number of employees that are deployed onsite at our clients or near client locations in Latin America, the United States, Europe and India have placed additional operational and structural demands on our resources.

Our future growth depends on recruiting, hiring and training technology professionals, growing our international operations, expanding our delivery capabilities, adding effective sales staff and management personnel, adding service offerings, maintaining existing clients and winning new business. Client demands, the availability of high-quality technical and operational personnel and their respective compensation rates, regulatory environments and other pertinent factors may vary significantly by region, and our experience in the markets in which we currently operate may not be applicable to other regions. As a result, we may not be able to leverage our experience to expand our delivery footprint effectively into other target markets. In addition, as we expand into new markets and expand our service offerings, we may face new risks and challenges with which we may not be familiar and which we may not be able to mitigate.

Effective management of these and other growth initiatives will require us to continue to improve our infrastructure, execution standards and ability to expand services. Failure to manage growth effectively could have a material adverse effect on the quality of the execution of our engagements, our ability to attract and retain professionals and our business, results of operations, prospects and financial condition.

If the pricing structures we use for our client contracts are based on inaccurate expectations and assumptions regarding the cost and complexity of performing our work, our contracts could be unprofitable, which could adversely affect our results of operations, financial condition and cash flows from operations.

We perform our services primarily under time-and-materials contracts. We charge out the services performed by our Globers under these contracts at hourly rates that are agreed to at the time the contract is entered into. The hourly rates and other pricing terms negotiated with our clients are highly dependent on the complexity of the project, the mix of staffing we anticipate using on it, internal forecasts of our operating costs and predictions of increases in those costs influenced by wage inflation and other marketplace factors. Our predictions are based on limited data and could turn out to be inaccurate. Typically, we do not have the ability to increase the hourly rates established at the outset of a client project in order to pass through to our client increases in salary costs driven by wage inflation and other marketplace factors.

Because we conduct a substantial part of our operations through our operating subsidiaries located in Argentina, Colombia, México and India, we are subject to the effects of wage inflation and other marketplace factors in these countries, which have increased significantly in recent years. If increases in salary and other operating costs at those operating subsidiaries exceed our internal forecasts, the hourly rates established under our time-and-materials contracts might not be sufficient to recover those increased operating costs, which would make those contracts unprofitable for us, thereby adversely affecting our results of operations, financial condition and cash flows from operations.

In addition to our time-and-materials contracts, we undertake engagements on a fixed-price basis. Revenues from our fixed-price contracts represented 16.9%, 13.1% and 16.1% of total revenues for the years ended December 31, 2021, 2020 and 2019, respectively. Our pricing in a fixed-price contract depends on our assumptions and forecasts about the costs we will incur to complete the related project, which are based on limited data and could turn out to be inaccurate.

We also rely, to a limited extent, on suppliers of goods and services. In some cases, we have contracts with such parties guaranteeing us favorable pricing terms. We cannot guarantee our ability to maintain such pricing terms beyond the date that pricing terms are fixed pursuant to a written agreement. Furthermore, should economic circumstances change, such that suppliers find it beneficial to change or attempt to renegotiate such pricing terms in their favor, we cannot assure you that we would be able to withstand an increase or achieve a favorable outcome in any such negotiation.

Any failure by us to accurately estimate the resources and time required to complete a fixed-price contract on time and on budget or any unexpected increase in the cost of our Globers assigned to the related project, office space or materials could expose us to risks associated with cost overruns and could have an adverse effect on our business, results of operations and financial condition. In addition, any unexpected changes in economic conditions that affect any of the foregoing assumptions and predictions could render contracts that would have been favorable to us when signed unfavorable, which would have an adverse effect on our results of operations.

If we were to lose the services of our senior management team or other key employees, our business operations, competitive position, client relationships, revenues and results of operations may be adversely affected.

Our future success heavily depends upon the continued services of our senior management team and other key employees. If one or more of our senior executives or key employees are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace them easily, on a timely basis or at all. In addition, competition for senior executives and key employees in our industry is intense. Our compensation policies include equity-based incentive compensation plans that are designed to reward high-performing personnel for their contributions and provide incentives for them to remain with us. If the anticipated value of such incentives does not materialize because of volatility or lack of positive performance in our share price, or if our total compensation package is not viewed as being competitive, we may be unable to retain our senior executives and key employees or attract and retain new senior executives and key employees in the future, in which case our business may be severely disrupted our ability to attract and retain personnel could be adversely affected.

If any of our senior management team or key employees joins a competitor or forms a competing company, we may lose clients, suppliers, know-how and key IT professionals and staff members to them. Also, if any of our sales executives or other sales personnel, who generally maintain a close relationship with our clients, joins a competitor or forms a competing company, we may lose clients to that company, and our revenues may be materially adversely affected. Additionally, there could be unauthorized disclosure or use of our technical knowledge, practices or procedures by such personnel. If any dispute arises between any members of our senior management team or key employees and us, any non-competition, non-solicitation and nondisclosure agreements we have with our founders, senior executives or key employees might not provide effective protection to us in light of legal uncertainties associated with the enforceability of such agreements.

If we do not continue to innovate and remain at the forefront of emerging technologies and related market trends, we may lose clients and not remain competitive, which could cause our revenues and results of operations to suffer.

Technological advances and innovation are constant in the technology services industry. As a result, we must continue to invest significant resources in research and development to stay abreast of technology developments so that we may continue to deliver software products that our clients will wish to purchase. If we are unable to anticipate technology developments, enhance our existing services or develop and introduce new services to keep pace with such changes and meet changing client needs, we may lose clients and our revenues and results of operations could suffer. Our results of operations would also suffer if our innovations are not responsive to the needs of our clients, are not appropriately timed with market opportunities or are not effectively brought to market. Our competitors may be able to offer engineering, design and innovation services that are, or that are perceived to be, substantially similar or better than those we offer. This may force us to compete on other fronts in addition to the quality of our services and to expend significant resources in order to remain competitive, which we may be unable to do.

If any of our largest clients terminates, decreases the scope of, or fails to renew its business relationship or short-term contract with us, our revenues, business and results of operations may be adversely affected.

We generate a significant portion of our revenues from our ten largest clients. During the years ended December 31, 2021, 2020 and 2019, our largest customer based on revenues, Walt Disney Parks and Resorts Online, accounted for 10.9%, 11.0% and 11.2% of our revenues, respectively. During the years ended December 31, 2021, 2020 and 2019, our ten largest clients accounted for 39.1%, 42.2% and 39.5% of our revenues, respectively.

Our ability to maintain close relationships with these and other major clients is essential to the growth and profitability of our business. However, most of our client contracts are limited to short-term, discrete projects without any commitment to a specific volume of business or future work, and the volume of work performed for a specific client is likely to vary from year to year, especially since we are generally not our clients' exclusive technology services provider. A major client in one year may not provide the same level of revenues for us in any subsequent year. The technology services we provide to our clients, and the revenues and income from those services, may decline or vary as the type and quantity of technology services we provide changes over time. In addition, our reliance on any individual client for a significant portion of our revenues may give that client a certain degree of pricing leverage against us when negotiating contracts and terms of service.

The loss or diminution in business from any of our major clients could have a material adverse effect on our revenues and results of operations.

Global economic and political conditions could have a material adverse effect on our revenues, margins, results of operations and financial condition.

We derive a significant portion of our revenues from clients located in the United States, Latin America and Europe. The technology services industry is particularly sensitive to the broader economic environment and tends to decline during general economic downturns. If the U.S., Latin American, or European economies weaken or slow, inflation in the markets in which we operate, or a negative or uncertain political climate develops or persists, pricing for our services may be depressed and our clients may reduce or postpone their technology spending significantly, which may, in turn, lower the demand for our services and negatively affect our revenues and profitability.

The United Kingdom formally left the European Union on January 31, 2020, which is commonly referred to as “Brexit,” but the United Kingdom remained in the European Union’s customs union and single market during a transition period that expired on December 31, 2020. On December 24, 2020, the United Kingdom entered into a trade and cooperation agreement (the “Trade and Cooperation Agreement”), which was applied on a provisional basis beginning on January 1, 2021 and entered into force on May 1, 2021 following ratification by the European Union. While the economic integration does not reach the level that existed during the time the United Kingdom was a member state of the European Union, the Trade and Cooperation Agreement sets out preferential agreements in areas such as trade in goods and in services, digital trade and intellectual property. Negotiations between the United Kingdom and the European Union are expected to continue in regard to the relationship between the United Kingdom and the European Union in certain other areas which are not covered by the Trade and Cooperation Agreement. The long-term effects of Brexit will depend on the effects of the implementation and application of the Trade and Cooperation Agreement and any other relevant agreements between the United Kingdom and the European Union. We face risks associated with the potential uncertainty and disruptions that may follow Brexit and the implementation and application of the Trade and Cooperation Agreement, including regulatory costs and challenges.

In 2018, the Trump administration initiated the imposition of tariffs on certain foreign products, including from China, that have resulted in and may result in future retaliatory tariffs on U.S. goods and products. While there has been a change in the U.S. presidential administration, we cannot predict whether these policies will continue, or if new policies will be enacted, or the impact, if any, that any policy changes could have on our business. In addition, the United States and other countries may implement actions, including trade actions, tariffs, export controls, and sanctions, against other countries or localities, including potentially against certain Russian government, government-related, or other entities or individuals related to actions in Ukraine, which along with any retaliatory measures could lead to disruption, instability and volatility in the global markets. In connection with the current status of international relations with Russia, particularly in light of potential escalations in conflict between Russia and Ukraine, the U.S. government has stated it is considering imposing enhanced export controls on certain products and sanctions on certain industry sectors and parties in Russia. The governments of other jurisdictions in which we operate, such as the European Union and Canada, may also implement additional sanctions or other restrictive measures. These potential sanctions and export controls, as well as any responses from Russia, could adversely affect us and/or our business partners or customers. If economic conditions worsen or new legislation is passed related to trade, fiscal or tax policies, customer demand may not materialize to levels we require to achieve our anticipated financial results, which could have a material adverse effect on our business, financial condition and results of operations.

Recently, inflation has increased in the United States and throughout the world. Inflation has an impact in the costs we incur in providing our services, which, if cannot be transferred to our prices may impact negatively our margins. To the extent such inflation continues, increases, or both, it may reduce our margins and have a material adverse effect on our results of operations.

If we are unable to successfully anticipate changing economic and political conditions affecting the markets in which we operate, we may be unable to effectively plan for or respond to those changes, and our revenues, margins, results of operations and financial condition could be adversely affected.

We face intense competition from technology and IT services providers, and an increase in competition, our inability to compete successfully, pricing pressures or loss of market share could materially adversely affect our revenues, results of operations and financial condition.

The market for technology and IT services is intensely competitive, highly fragmented and subject to rapid change and evolving industry standards and we expect competition to intensify. We believe that the principal competitive factors that we face are the ability to innovate; technical expertise and industry knowledge; end-to-end solution offerings; reputation and track record for high-quality and on-time delivery of work; effective employee recruiting; training and retention; responsiveness to clients’ business needs; scale; financial stability; and price.

We face competition primarily from large global consulting and outsourcing firms, digital agencies and design firms, traditional technology outsourcing providers, and the in-house product development departments of our clients and potential

clients. Many of our competitors have substantially greater financial, technical and marketing resources and greater name recognition than we do. As a result, they may be able to compete more aggressively on pricing or devote greater resources to the development and promotion of technology and IT services. Companies based in some emerging markets also present significant price competition due to their competitive cost structures and tax advantages.

In addition, there are relatively few barriers to entry into our markets and we have faced, and expect to continue to face, competition from new technology services providers. Further, there is a risk that our clients may elect to increase their internal resources to satisfy their services needs as opposed to relying on a third-party vendor, such as our company. The technology services industry is also undergoing consolidation, which may result in increased competition in our target markets in the United States and Europe from larger firms that may have substantially greater financial, marketing or technical resources, may be able to respond more quickly to new technologies or processes and changes in client demands, and may be able to devote greater resources to the development, promotion and sale of their services than we can. Increased competition could also result in price reductions, reduced operating margins and loss of our market share. We cannot assure you that we will be able to compete successfully with existing or new competitors or that competitive pressures will not materially adversely affect our business, results of operations and financial condition.

Our business depends on a strong brand and corporate reputation, and if we are not able to maintain and enhance our brand, our ability to expand our client base will be impaired and our business and operating results will be adversely affected.

Since many of our specific client engagements involve highly tailored solutions, our corporate reputation is a significant factor in our clients' and prospective clients' determination of whether to engage us. We believe the Globant brand name and our reputation are important corporate assets that help distinguish our services from those of our competitors and also contribute to our efforts to recruit and retain talented IT professionals. However, our corporate reputation is susceptible to damage by actions or statements made by current or former employees or clients, competitors, vendors, adversaries in legal proceedings and government regulators, as well as members of the investment community and the media. There is a risk that negative information about our company, even if based on false rumor or misunderstanding, could adversely affect our business. In particular, damage to our reputation could be difficult and time-consuming to repair, make potential or existing clients reluctant to select us for new engagements, resulting in a loss of business, and adversely affect our recruitment and retention efforts. Damage to our reputation could also reduce the value and effectiveness of our Globant brand name and could reduce investor confidence in us and result in a decline in the price of our common shares.

Our labor costs and the operating restrictions that apply to us could increase as a result of collective bargaining negotiations and changes in labor laws and regulations, and disputes resulting in work stoppages, strikes, or disruptions could adversely affect our business.

As of December 31, 2021, 5.77% of our Globers are covered by collective bargaining agreements, including all Globers from our Brazilian, French and Spanish subsidiaries, as well as some Globers from our Argentinean subsidiaries. For complete details of the covered employees see "[Directors, Senior Management and Employees — Employees](#)". There can be no assurance that our non-unionized employees will not become members of a union or become covered by a collective bargaining agreement, including through an acquisition of a business whose employees are subject to such an agreement.

We cannot assure you that we or our operating subsidiaries will not experience work disruptions or stoppages in the future, which could have a material adverse effect on our business and revenues. In addition, we cannot assure you that we will be able to negotiate new collective bargaining agreements on the same terms as those currently in effect, or that we will not be subject to strikes or work stoppages before or during the negotiation process. If we are unable to negotiate salary agreements or if we are subject to strikes or work stoppages, our results of operations, financial condition and the market value of our shares could be materially adversely affected.

Increased focus on our environmental, social, and governance ("ESG") responsibilities have and will likely continue to result in, additional costs and risks, and may adversely impact our reputation, employee retention, and willingness of customers and partners to do business with us.

Governmental bodies, investors, clients, consumers, communities, businesses and other stakeholders are increasingly focused on ESG practices. As we look to respond to evolving standards for identifying, measuring, complying and reporting ESG metrics, our efforts may result in a significant increase in costs and may nevertheless not meet investors or other stakeholders expectations and evolving standards or regulatory requirements, what may have an adverse impact on our financial results, reputation, our attractiveness as a service provider, or expose us to government enforcement actions or other litigation and private actions.

Our revenues are dependent on a limited number of industries, and any decrease in demand for technology services in these industries could reduce our revenues and adversely affect our results of operations.

A substantial portion of our clients are concentrated in the following industries: media and entertainment; banks, financial services and insurance; travel and hospitality; technology and telecommunications; consumer retail and manufacturing; healthcare and professional services. Such industries, in the aggregate, constituted 99.2%, 99.2% and 97.1% of our total revenues for the years ended December 31, 2021, 2020 and 2019, respectively. Our business growth largely depends on continued demand for our services from clients in these industries and other industries that we may target in the future, as well as on trends in these industries to purchase technology services or to move such services in-house.

A downturn in any of these or our targeted industries, or a slowdown or reversal of the trend to spend on technology services in any of these industries could result in a decrease in the demand for our services and materially adversely affect our revenues, financial condition and results of operations. For example, a worsening of economic conditions in the media and entertainment industry and significant consolidation in such industry may reduce the demand for our services and negatively affect our revenues and profitability.

Other developments in the industries in which we operate may also lead to a decline in the demand for our services, and we may not be able to successfully anticipate and prepare for any such changes. For example, consolidation in any of these industries or acquisitions, particularly involving our clients, may adversely affect our business. Our clients may experience rapid changes in their prospects, substantial price competition and pressure on their profitability. This, in turn, may result in increasing pressure on us from clients in these key industries to lower our prices, which could adversely affect our revenues, results of operations and financial condition.

We operate in a rapidly evolving industry, which makes it difficult to evaluate our future prospects, may increase the risk that we will not continue to be successful and, accordingly, increases the risk of your investment.

The technology services industry is continuously evolving. Competition, fueled by rapidly changing consumer demands and constant technological developments, renders the technology services industry one in which success and performance metrics are difficult to predict and measure. Because services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model, and its results of operations, it can be difficult to predict how many company's services, including ours, will be received in the market. While enterprises have been willing to devote significant resources to incorporate emerging technologies and related market trends into their business models, enterprises may not continue to spend any significant portion of their budgets on our services in the future. Neither our past financial performance nor the past financial performance of any other company in the technology services industry is indicative of how our company will fare financially in the future. Our future profits may vary substantially from those of other companies, and those we have achieved in the past, making investment in our company risky and speculative. If our clients' demand for our services declines, as a result of economic conditions, market factors or shifts in the technology industry, our business would suffer and our results of operations and financial condition would be adversely affected.

If we cause disruptions in our clients' businesses or provide inadequate services, our clients may have claims for substantial damages against us, which could cause us to lose clients, have a negative effect on our corporate reputation and adversely affect our results of operations.

If our Globers make errors in the course of delivering services to our clients or in the development of software solutions for our clients, or fail to consistently meet service requirements of a client, these errors, software defects or failures could disrupt the client's business, which could result in a reduction in our revenues or a claim for substantial damages against us. In addition, a failure or inability to meet a contractual requirement could seriously damage our corporate reputation and limit our ability to attract new business.

The services we provide and the software solutions we develop are often critical to our clients' businesses. Certain of our client contracts require us to comply with security obligations including maintaining network security and backup data, ensuring our network is virus-free, maintaining business continuity planning procedures, and verifying the integrity of employees that work with our clients by conducting background checks. Any failure in a client's system or breach of security relating to the services we provide to the client could damage our reputation or result in a claim for substantial damages against us. Any significant failure of our equipment or systems, or any major disruption to basic infrastructure like power and telecommunications in the locations in which we operate, could impede our ability to provide services to our clients, have a negative impact on our reputation, cause us to lose clients, and adversely affect our results of operations.

Under our client contracts, our liability for breach of our obligations is, in some cases, limited pursuant to the terms of the contract. Such limitations may be unenforceable or otherwise may not protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, may not be limited under our contracts.

If client damages are not limited under the terms of our contracts and are deemed recoverable against us in amounts in excess of our insurance coverage, or if our claims for insurance coverage are denied by our insurance carriers for any reason, there could be a material adverse effect on our business, results of operations and financial condition and/or our reputation, which could, in turn, have an adverse effect in our business, result of operations and financial condition.

We may face losses or reputational damage if our software solutions contain undetected software defects.

A significant amount of our business involves developing software solutions for our clients as part of our provision of technology services. We are required to make certain representations and warranties to our clients regarding the quality and functionality of our software. Any undetected software defects could result in liability to our clients under certain contracts as well as losses resulting from any litigation initiated by clients due to any losses sustained as a result of the defects. Any such liability or losses could have an adverse effect on our financial condition as well as on our reputation with our clients and in the technology services market generally.

Our client relationships, revenues, results of operations and financial condition may be adversely affected if we experience disruptions in our business.

Disruptions in telecommunications, system failures, Internet infrastructure, computer virus attacks or other operational disruptions caused by factors outside of our control, such as hostilities, political unrest, terrorist attacks, natural disasters, and public health emergencies could adversely impact our ability to deliver services to our clients, which could result in client dissatisfaction, harm to our reputation, and a loss of business and related reduction of our revenues. Our business continuity and disaster recovery plans may not be effective at preventing or mitigating the effects of such disruptions, and we may not be able to consistently maintain active voice and data communications between our various global operations and with our clients due to disruptions in telecommunication networks and power supply, system failures, computer virus attacks or other operational disruptions. Any significant failure in our ability to communicate could result in a disruption in business, which could hinder our performance and our ability to complete projects on time. Such failure to perform on client contracts could have a material adverse effect on our business, results of operations and financial condition.

If our computer systems or data, or our service providers' systems or data, are subject to security incidents or breaches, or if any of our employees misuses or misappropriates data, it may disrupt our operations, and we may face reputational damage, lose clients and revenues, or incur losses.

Our business is heavily dependent on the security of our IT networks and those of our clients, as well as our third-party providers. We have access to, and we collect, transmit and store data, including confidential client and client customer data, intellectual property, and personal data. Despite our efforts, threats to network and data security are increasingly diverse and sophisticated, and have increased in number. Internal or external attacks on our IT servers and networks, or those of our third party processors, providers or clients, are vulnerable to cybersecurity risks, including viruses and worms, phishing attacks, ransomware attacks, denial-of-service attacks, physical or electronic break-ins, third party or employee theft or misuse, and similar disruptions, which could disrupt the normal operations of our engagements and impede our ability to provide critical services to our clients, thereby subjecting us to liability under our contracts and applicable data protection laws. Our business involves the collection, use, storage and transmission of confidential information and personal data about our employees, vendors, clients and client customers. While we take measures designed to protect the security of, and unauthorized access to, our systems and data, and the privacy of confidential information and personal data, our security controls over our systems and the systems of our processors, vendors and clients with which we operate and rely upon, as well as any other security practices we follow, may not prevent the improper access to or the unauthorized acquisition, use or disclosure of data, including confidential information, personal data, intellectual property and proprietary information. We do not control the operations or facilities of our service providers that collect, store, and process data on our behalf. If any of our service providers that process data on our behalf is subject to a security incident, we may not initially be aware of it, and we may not be able to control the investigation into the incident. In addition, we may be required to notify our clients if one of our service providers is subject to a security incident that affects our clients' data, and it may disrupt our operations and impede our ability to provide our services. Many of our client contracts do not limit our potential liability for breaches of confidentiality. If any person, including any of our Globers or former Globers, penetrates our network security or misappropriates data or code that belongs to us, our clients, or our clients' customers, we could be subject to significant liability from our clients or from our clients' customers for breaching contractual confidentiality provisions or violating privacy and/or data protection laws.

Unauthorized disclosure of confidential client and client customer data, intellectual property or personal data, whether through breach of our or others' computer systems, systems failure, loss or theft of confidential information or intellectual property belonging to our clients or our clients' customers, or otherwise, could damage our reputation, disrupt our operations, cause us to lose clients and revenues, and result in financial and other potential losses by us, as well as require us to expend significant resources to protect against further incidents and to rectify any problems caused by these events. In addition, we may not be able to obtain insurance coverage for, or full insurance coverage for, all such risks. Any unauthorized access, acquisition, disclosure or other loss of information could result in legal claims or proceedings, liability and damages under applicable laws, regulatory investigations or penalties, breach notification obligations, a requirement to provide credit monitoring services, breach of contract claims, significant fines, administrative sanctions, and could adversely affect our business, revenues, reputation, brand and competitive position.

Our business, results of operations and financial condition may be adversely affected by the various conflicting and/or onerous legal and regulatory obligations required in the countries where we operate.

We have a presence in many countries and plan to continue expanding our international operations, which may subject us to increased business and economic risks that could affect our financial results.

Since we provide services to clients throughout the world, and we collect, store, process and use personal data, we are subject to laws and regulations related to security and privacy, in addition to other numerous, and sometimes conflicting, legal requirements. Compliance with complex international and U.S. laws and regulations that apply to our international operations increases our cost of doing business. These numerous, and sometimes conflicting laws, and regulations include, among others, import/export controls, content requirements, trade restrictions, tariffs, taxation, anti-corruption laws such as the U.S. Foreign Corrupt Practices Act, whistle blowing, internal control and disclosure rules, data protection and privacy requirements. Our real or perceived failure to comply with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and adverse impact on our brand and reputation. In addition, our failure to comply with these regulations in the context of our obligations to our clients could also result in liability for monetary damages, unfavorable publicity and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights.

In addition, because we operate from a number of cities in Latin America, North America, Europe and Asia, we are also subject to risks relating to compliance with a variety of national and local labor laws including, employee health safety and wages and benefits laws. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former Globers, individually or as part of class actions, including claims of wrongful termination, discrimination, misclassification or other violations of labor law or other alleged conduct. We may also, from time to time, be subject to litigation resulting from claims against us by third parties, including claims of breach of non-compete and confidentiality provisions of our employees' former employment agreements with such third parties. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, results of operations and financial condition.

We may not be able to prevent unauthorized use of our intellectual property and our intellectual property rights may not be adequate to protect our business, competitive position, results of operations and financial condition.

Our success depends in part on certain methodologies, practices, tools and technical expertise our company utilizes in designing, developing, implementing and maintaining applications and other proprietary intellectual capital. In order to protect our rights in this intellectual capital, we rely upon a combination of nondisclosure and other contractual arrangements as well as trade secret, patent, copyright and trademark laws. We also generally enter into confidentiality agreements with our employees, consultants, clients and potential clients and limit access to and the distribution of our proprietary information.

We hold several trademarks and intend to submit additional U.S. federal and foreign trademark applications for developments relating to additional service offerings in the future. We cannot assure you that we will be successful in maintaining existing or obtaining future, intellectual property rights or registrations. There can be no assurance that the current or future laws, rules, regulations and treaties of the countries in which we operate or the contractual and other protective measures we take are adequate to protect us from misappropriation or unauthorized use of our intellectual capital, or that such laws, rules, regulations and treaties will not change.

We cannot assure you that we will be able to detect unauthorized use of our intellectual property and take appropriate steps to enforce our rights, or that any such steps will be successful. We cannot assure you that we have taken all necessary steps to enforce our intellectual property rights in every jurisdiction in which we operate and we cannot assure you that the intellectual property laws of any jurisdiction in which we operate are adequate to protect our interest or that any favorable

judgment obtained by us with respect thereto will be enforced in the courts. Misappropriation by third parties of, or other failure to protect, our intellectual property, including the costs of enforcing our intellectual property rights, could have a material adverse effect on our business, competitive position, results of operations and financial condition.

If we incur any liability for a violation of the intellectual property rights of others, our reputation, business, financial condition and prospects may be adversely affected.

Our success largely depends on our ability to use and develop our technology, tools, code, methodologies and services without infringing on the intellectual property rights of third parties, including patents, copyrights, trade secrets and trademarks. We may be subject to litigation involving claims of patent infringement or violation of other intellectual property rights of third parties. In such cases, litigation may be necessary to determine the scope, enforceability and validity of third-party proprietary rights or to establish our proprietary rights. However, given that litigation could be costly and time consuming and could divert the attention of management and key personnel from our business operations, we may elect to settle these claims from time to time.

We typically indemnify clients who purchase our services and solutions against potential infringement of intellectual property rights, which subjects us to the risk of indemnification claims. These claims may require us to initiate or defend protracted and costly litigation on behalf of our clients, regardless of the merits of these claims and are often not subject to liability limits or exclusion of consequential, indirect or punitive damages. If any of these claims succeed, we may be forced to pay damages on behalf of our clients, redesign or cease offering our allegedly infringing services or solutions, or obtain licenses for the intellectual property such services or solutions allegedly infringe. If we cannot obtain all necessary licenses on commercially reasonable terms, our clients may stop using our services or solutions.

Further, our current and former Globers could challenge our exclusive rights to the software they have developed in the course of their employment. In certain countries in which we operate, an employer is deemed to own the copyright work created by its employees during the course, and within the scope, of their employment, but the employer may be required to satisfy additional legal requirements in order to make further use and dispose of such works. While we believe that we have complied with all such requirements, and have fulfilled all requirements necessary to acquire all rights in software developed by our independent contractors, these requirements are often ambiguously defined and enforced. As a result, we cannot assure you that we would be successful in defending against any claim by our current or former Globers or independent contractors that challenges our exclusive rights over the use and transfer of works those Globers or independent contractors created or requests additional compensation for such works.

We are subject to additional risks as a result of our recent and possible future acquisitions and the hiring of new employees who may misappropriate intellectual property from their former employers. The developers of the technology that we have acquired or may acquire may not have appropriately created, maintained or enforced intellectual property rights in such technology. Indemnification and other rights under acquisition documents may be limited in term and scope and may therefore provide little or no protection from these risks. Parties making infringement claims may be able to obtain an injunction to prevent us from delivering our services or using technology involving the allegedly infringing intellectual property. Intellectual property litigation is expensive and time-consuming and could divert management's attention from our business. A successful infringement claim against us, whether with or without merit, could, among other things, require us to pay substantial damages, develop substitute non-infringing technology, or rebrand our name or enter into royalty or license agreements that may not be available on acceptable terms, if at all, and would require us to cease making, licensing or using products that have infringed a third party's intellectual property rights. Protracted litigation could also result in existing or potential clients deferring or limiting their purchase or use of our software product development services or solutions until resolution of such litigation, or could require us to indemnify our clients against infringement claims in certain instances. Any intellectual property claim or litigation, whether we ultimately win or lose, could damage our reputation and materially adversely affect our business, financial condition and results of operations.

Revenue recognition from our fixed-price contracts involves estimations regarding the period in which our services are performed and the costs of those services are incurred, which may cause our margins to fluctuate.

We perform our services primarily under time-and-materials contracts and, to a lesser extent, fixed-price contracts. All revenues are recognized pursuant to applicable accounting standards.

Unlike our time-and-materials contracts, for which revenue is recognized as services are provided, our fixed-priced contracts require the use of certain accounting estimates. We utilize the input and output methods, depending on the nature of the project and the agreement with the customer, to account for these contracts. Under the input method, as labor costs represent the primary cost component under such contracts, we estimate each of our fixed-price contract's total labor cost to date as a proportion of its total expected labor cost. Under the output method, we recognize revenue on the basis of direct measurements

of the value of the services transferred to date relative to the remaining services promised under the contract. We monitor these factors and continuously revise and refine our estimates during the term of our fixed-price contracts.

Uncertainty about the project completion or receipt of payment for our services or our failure to meet all the acceptance criteria, or otherwise meet a client's expectations, may result in us having to record the cost related to the performance of services in the period that services were rendered, but delay the timing of revenue recognition to a future period in which all acceptance criteria have been met, which may cause our margins to fluctuate.

Our cash flows and results of operations may be adversely affected if we are unable to collect on billed and unbilled receivables from clients.

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We maintain provisions against receivables. Actual losses on client balances could differ from those that we currently anticipate and, as a result, we may need to adjust our provisions. We cannot assure you that we will accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables balance. Timely collection of fees for client services also depends on our ability to complete our contractual commitments and subsequently bill for and collect our contractual service fees. If we are unable to meet our contractual obligations, we might experience delays in the collection of or be unable to collect our client balances, which could adversely affect our results of operations and cash flows. In addition, if we experience an increase in the time required to bill and collect for our services, our cash flows could be adversely affected, which could affect our ability to make necessary investments and, therefore, our results of operations.

If the current effective income tax rate payable by us in any country in which we operate is increased or if we lose any country-specific tax benefits, then our financial condition and results of operations may be adversely affected.

We conduct business globally and file income tax returns in multiple jurisdictions. Our consolidated effective income tax rate could be materially adversely affected by several factors, including changes in the amount of income taxed by or allocated to the various jurisdictions in which we operate that have differing statutory tax rates; changing tax laws, regulations and interpretations of such tax laws in multiple jurisdictions; and the resolution of issues arising from tax audits or examinations and any related interest or penalties.

We report our results of operations based on our determination of the amount of taxes owed in the various jurisdictions in which we operate. We have transfer pricing arrangements among our subsidiaries in relation to various aspects of our business, including operations, marketing, sales and delivery functions. Transfer pricing regulations require that any international transaction involving associated enterprises be on arm's-length terms. We consider the transactions among our subsidiaries to be on arm's-length terms. The determination of our consolidated provision for income taxes and other tax liabilities requires estimation, judgment and calculations where the ultimate tax determination may not be certain. Our determination of tax liability is always subject to review or examination by authorities in various jurisdictions.

Currently, we benefit from promotion regimes and tax benefits in Uruguay, India, Belarus and Argentina. For detailed explanations and further discussion, see "[Business Overview — Government Support and Incentives](#)". If these tax incentives in Argentina, Uruguay, India and Belarus are changed, terminated, not extended or made unavailable, or comparable new tax incentives are not introduced, we expect that our effective income tax rate and/or our operating expenses would increase significantly, which could materially adversely affect our financial condition and results of operations. See "[Operating and Financial Review and Prospects — Operating Results — Certain Income Statement Line Items — Income Tax Expense](#)".

The OECD announced an initiative on January 29, 2019, to create an international consensus on new rules (referred to as "BEPS 2.0") for the framework governing international taxation, which was supported by the publication of the Pillar One and Pillar Two Blueprint Reports on October 12, 2020. On October 8, 2021, 136 countries, including Ireland, approved a statement (known as the OECD BEPS Inclusive Framework ("IF")) providing a framework for BEPS 2.0, which builds upon the Blueprints and a prior iteration of the IF signed by 130 countries on July 1, 2021. The revised Pillar Two Blueprint includes a global minimum tax rate of 15% for groups with a global turnover in excess of €750 million, subject to certain exclusions. On December 20, 2021, the OECD published model rules on the Pillar Two global minimum tax, containing additional details that the jurisdictions of the Inclusive Framework are to implement in their local legislation. Although it is difficult to determine the degree to which these changes may impact on the business, the company is working on assessing whether those rules might affect its both the effective tax rates and tax liabilities in the future.

If we are faced with immigration or work permit restrictions in any country where we currently have personnel onsite at a client location or would like to expand our delivery footprint, then our business, results of operations and financial condition may be adversely affected.

A key part of our strategy is to expand our delivery footprint, including through an increase in the number of employees that we deploy onsite and near client locations. Therefore, we must comply with the immigration, work permit and visa laws and regulations of the countries in which we operate or plan to operate. Our future inability to obtain or renew sufficient work permits and/or visas due to the impact of these regulations, including any changes to immigration, work permit and visa regulations in jurisdictions such as the United States and Europe, could have a material adverse effect on our business, results of operations and financial condition.

If we are unable to maintain favorable pricing terms with current or new suppliers, our results of operations would be adversely affected.

We rely, to a limited extent, on suppliers of goods and services. In some cases, we have contracts with such parties guaranteeing us favorable pricing terms. We cannot guarantee our ability to maintain such pricing terms beyond the date that pricing terms are fixed pursuant to a written agreement. Furthermore, should economic circumstances change, such that suppliers find it beneficial to change or attempt to renegotiate such pricing terms in their favor, we cannot assure you that we would be able to withstand an increase or achieve a favorable outcome in any such negotiation. Any change in our pricing terms would increase our costs and expenses, which would have an adverse effect on our results of operations.

Strategic acquisitions to complement and expand our business have been and will likely remain an important part of our competitive strategy. If we fail to acquire companies whose prospects, when combined with our company, would increase our value, or if we acquire and fail to efficiently integrate such other companies, then our business, results of operations, and financial condition may be adversely affected.

We have expanded, and may continue to expand, our operations through strategically targeted acquisitions focused on deepening our relationships with key clients, extending our technological capacities including services over platforms, broadening our service offering and expanding the geographic footprint of our delivery centers, including beyond Latin America. We completed three acquisitions in 2019, four in 2020 and five in 2021. Financing of any future acquisition could require the incurrence of indebtedness, the issuance of equity or a combination of both. There can be no assurance that we will be able to identify, acquire or profitably manage additional businesses or successfully integrate any acquired businesses without substantial expense, delays or other operational or financial risks and problems. Furthermore, acquisitions may involve a number of special risks, including diversion of management's attention, failure to retain key acquired personnel, unanticipated events or legal liabilities and amortization of acquired intangible assets. In addition, any client satisfaction or performance problems within an acquired business could have a material adverse impact on our company's corporate reputation and brand. We cannot assure you that any acquired businesses would achieve anticipated revenues and earnings. Any failure to manage our acquisition strategy successfully could have a material adverse effect on our business, results of operations and financial condition.

Our ability to expand our business and procure new contracts or enter into beneficial business arrangements could be affected to the extent we enter into agreements with clients containing non-competition clauses.

Some of our services agreements restrict our ability to perform similar services for certain of our clients' competitors under specific circumstances. We may in the future enter into additional agreements with clients that restrict our ability to accept assignments from, or render similar services to, those clients' customers, require us to obtain our clients' prior written consent to provide services to their customers or restrict our ability to compete with our clients, or bid for or accept any assignment for which those clients are bidding or negotiating. These restrictions may hamper our ability to compete for and provide services to other clients in a specific industry in which we have expertise and could materially adversely affect our business, financial condition and results of operations.

The terms of our credit facility place restrictions on our operating and financial flexibility.

On February 6, 2020, Globant, LLC, our U.S. subsidiary (the "Borrower"), entered into a Second Amended and Restated Credit Agreement (as amended on October 1, 2021, the "Second A&R Credit Agreement"), by and among certain financial institutions listed therein, as lenders, and HSBC Bank USA, National Association, as administrative agent, issuing bank and swingline lender. Under the Second A&R Credit Agreement, the Borrower may borrow (i) up to \$100 million in up to four borrowings on or prior to April 1, 2022 under a delayed-draw term loan facility and (ii) up to \$250 million under a revolving credit facility. In addition, the Borrower may request increases of the maximum amount available under the revolving facility in an aggregate amount not to exceed \$100 million. The maturity date of each of the facilities is February 5, 2025.

Pursuant to the terms of the Second A&R Credit Agreement, interest on the loans extended thereunder shall accrue at a rate per annum equal to either (i) LIBOR plus 1.50%, or (ii) LIBOR plus 1.75%, determined based on the Borrower's Maximum Total Leverage Ratio (as defined in the Second A&R Credit Agreement). The Borrower's obligations under the Second A&R Credit Agreement are guaranteed by the Company and its subsidiary Globant España S.A., and are secured by substantially all of the Borrower's now owned and after-acquired assets. The Second A&R Credit Agreement also contains certain customary negative and affirmative covenants, which compliance may limit our flexibility in operating our business and our ability to take actions that might be advantageous to us and our shareholders. As of December 31, 2021, no amounts were outstanding under the Second A&R Credit Agreement.

Indebtedness under our credit facilities bear interest based on LIBOR, which has been subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences.

On March 5, 2021, the U.K. Financial Conduct Authority ("FCA") announced that 35 LIBOR settings will cease to exist or will no longer be representative as from 2022. LIBOR cannot be used in new derivative contracts and credit agreements, and will continue to exist, to a lesser extent, for existing contracts bearing interest based on LIBOR.

FCA's announcement sets forth a series of definitive resolutions regarding LIBOR rate transition and confirms that all LIBOR settings will either cease to be provided by any administrator or no longer be representative immediately after December 31, 2021, in the case of all sterling, euro, Swiss franc and Japanese yen settings, and immediately after June 30, 2023, in the case of U.S. dollar settings.

Those who have not switched their contracts will be relying on the temporary versions of LIBOR, which will be based on a set formula, and their fallbacks, which track the difference between the new risk-free rates and LIBOR.

The FCA has not decided whether it will continue with synthetic versions of U.S. dollar LIBOR after June 2023, and will make a decision towards the end of next year.

Our current credit facilities or instruments already provide for alternative interest rates to replace LIBOR. As of the date of this annual report we cannot reasonably estimate the expected impact on our business of these new interest rates.

The transition away from and discontinuation of LIBOR and other interest rate benchmarks, uncertainty as to the availability and/or suitability of alternative reference rates, and differences between LIBOR and other interest rate benchmarks and alternative reference rates may affect financial markets and market participants, including us. In response, we have taken, and are continuing to take, necessary steps to proactively address the transition, including monitoring external developments, negotiating successor reference rates with relevant counterparties, planning for the circumstances where the transition results in a mismatch with the fallback reference rates used, and evaluating the potential impact on our financial results and condition. However, we remain subject to the risks that our actions to address the transition may be delayed or may not be successful, which could adversely affect our financial condition and the results of our business.

Risks Related to Operating in Latin America.

Our two largest delivery centers are based in Colombia and Argentina, and we have subsidiaries in other countries of Latin America, such as Uruguay, Chile, Peru, Mexico, Brazil, Ecuador and Costa Rica. There are significant risks to operating in those countries that should be carefully considered before making an investment decision.

Latin America

Latin America has experienced adverse economic conditions that may impact our business, financial condition and results of operations.

Our business is dependent, in part, upon the economic conditions prevalent in Argentina and Colombia as well as the other Latin American countries in which we operate. Latin American countries have historically experienced uneven periods of economic growth, as well as recession, periods of high inflation and economic instability. As a consequence of adverse economic conditions in global markets and diminishing commodity prices, the economic growth rates of the economies of many Latin American countries have slowed and some have entered mild recessions. Adverse economic conditions in any of these countries could have a material adverse effect on our business, margins, financial condition and results of operations.

Latin American governments have exercised and continue to exercise significant influence over the economies of the countries where we operate, which could adversely affect our business, financial condition, results of operations and prospects.

Historically, governments in Latin America have frequently intervened in the economies of their respective countries and have occasionally made significant changes in policy and regulations. Governmental actions to control inflation and other policies and regulations have often involved, among others, price controls, currency devaluations, capital controls and tariffs. Our business, financial condition, results of operations and prospects may be adversely affected by:

- changes in government policies or regulations, including such factors as exchange rates and exchange control policies;
- inflation rates;
- interest rates;
- tariff and inflation control policies;
- price control policies;
- liquidity of domestic capital and lending markets;
- electricity rationing;
- tax policies, royalty and tax increases and retroactive tax claims; and
- other political, diplomatic, social and economic developments in or affecting the countries where we operate.

Inflation, and government measures to curb inflation in Latin America, may adversely affect the economies in the countries where we operate in Latin America, our business and results of operations.

Some of the countries in which we operate in Latin America have experienced, or are currently experiencing, high rates of inflation. Although, other than Argentina, inflation rates have been relatively low in the recent past, that trend may not continue. Measures taken by governments of Latin American countries to control inflation have often included maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and impeding economic growth. Measures to combat inflation and public speculation about possible additional actions have also contributed significantly to economic uncertainty in many of these countries and to heightened volatility in their securities markets. Periods of higher inflation may also slow the growth rate of local economies. Inflation is also likely to increase some of our costs and expenses, which we may not be able to fully pass on to our clients, which could adversely affect our operating margins and operating income.

Our business, results of operations, financial condition, costs and operating margins may be adversely affected by fluctuations in currency exchange rates.

We conduct a substantial portion of our operations outside the United States, and our businesses may be impacted by significant fluctuations in foreign currency exchange rates. Our consolidated financial statements and those of most of our subsidiaries are prepared in U.S. dollars as their functional currency, whereas some of our subsidiaries' operations are performed in local currencies. Therefore, the resulting exchange differences arising from the translation to our presentation currency are recognized as finance gain or expense, or as a separate component of equity depending on the functional currency for each subsidiary. Fluctuations in exchange rates relative to the U.S. dollar could impair the comparability of our results from period to period and could have a material adverse effect on our results of operations and financial condition.

In addition, our results of operations, financial condition, costs and operating margins are particularly sensitive to changes in the Argentine peso, Uruguayan peso, Mexican peso and Colombian peso/U.S. dollar exchange rates because a significant part of our operations are conducted in these countries where our costs are incurred in local currency, while the substantial portion of our revenues generated outside of these countries are in U.S. dollars. Consequently, appreciation of the U.S. dollar relative to the Argentine peso, Uruguayan peso, Mexican peso and Colombian peso, to the extent not offset by inflation in these countries, could result in favorable variations in our operating margins and, conversely, depreciation of the U.S. dollar relative to the Argentine peso, Uruguayan peso, Mexican peso and Colombian peso could impact our operating margins negatively.

In recent years, the Argentine peso has suffered significant devaluations against the U.S. dollar and has continued to devalue against the U.S. dollar. As a result of this economic instability, Argentina's foreign debt rating has been downgraded on multiple occasions based upon concerns regarding economic conditions and rising fears of increased inflationary pressures. This uncertainty may also adversely impact Argentina's ability to attract capital.

Our business is dependent to a certain extent on maintaining our labor and other costs competitive with those of companies located in other regions around the world from which technology and IT services may be purchased by clients in the United States and Europe. We periodically evaluate the need for hedging strategies, including the use of such instruments to mitigate the effect of foreign exchange rate fluctuations. During the years ended December 31, 2021, 2020 and 2019 our Argentine, Colombian, Chilean, Indian, Uruguayan, Peruvian, Brazilian, Mexican, European Community Countries and United Kingdom operating subsidiaries entered into foreign exchange contracts for the purpose of hedging the risk of exposure to fluctuations in the Argentine peso, Colombian peso, Chilean peso, Indian rupee, Uruguayan peso, Peruvian sol, Brazilian real, Mexican peso, European Community Countries Euro and United Kingdom pounds sterling against the U.S. dollar. If we do not hedge such exposure or we do not do so effectively, an appreciation of the Argentine peso, Colombian peso, Chilean peso, Indian rupee or the Uruguayan peso against the U.S. dollar may raise our costs, which could adversely impact our margins and increase the prices of our services for our customers, which, in turn, could adversely affect our business, financial condition and results of operations.

We face the risk of political and economic crises, instability, terrorism, civil strife, expropriation and other risks of doing business in Latin America, which could adversely affect our business, financial condition and results of operations.

We conduct our operations primarily in Latin America. Economic and political developments in Latin America, including future economic changes or crises (such as inflation, currency devaluation or recession), government deadlock, political instability, terrorism, civil strife, changes in laws and regulations, restrictions on the repatriation of dividends or profits, expropriation or nationalization of property, restrictions on currency convertibility, volatility of the foreign exchange market and exchange controls could impact our operations or the market value of our common shares and have a material adverse effect on our business, financial condition and results of operations.

Argentina

Argentina continues to face considerable economic uncertainty.

Historically, inflation and strong fluctuations in currency exchange rates have materially undermined the Argentine economy and the Argentine government's ability to create conditions that would permit stable growth. The Argentine economy is also highly reliant on exports of commodities, such as soy, and, therefore, it is more vulnerable to fluctuations in the prices of commodities.

According to the *National Institute of Statistics and Census* ("INDEC"), the customer price index ("CPI") was 53.8% in 2019, 36.1% in 2020 and 50.9% in 2021. Since June 2018, the Practice Task Force of the Center for Quality, which monitors "highly inflationary countries", categorized Argentina as a hyperinflationary country. As of December 31, 2021 and 2020, the three-year trailing cumulative CPI increase was 189% and 204%, respectively. High inflation may also undermine Argentina's foreign competitiveness in international markets and adversely affect economic activity and employment, as well as our business and results of operation. In particular, the costs we incur in providing our services, which impact our margins, are influenced by wage inflation in Argentina.

During 2019, the Argentine government adopted measures intended to control inflation. Those measures contributed to a deep recession in which GDP decreased 2.02% that same year. In 2020, macroeconomic conditions worsened as a result of the COVID-19 pandemic. The Argentine government has been financing all economic assistance related to the COVID-19 pandemic through a significant issuance of currency, which has led to inflation, increased demand for U.S. dollars and the devaluation of the Argentine peso. According to the INDEC, the GDP declined by 9.9% in 2020 (one of the most significant declines of the GDP in Argentine history). Further, economic activity declined by 2.2% in 2020 and increased 10.7% as of November 2021. These conditions contributed to an increase in poverty, which, according to INDEC, as of June 30, 2021 affected more than 40.9% of the population.

In an effort to contain the escalation of the currency exchange rate, the Argentine Central Bank has been selling its reserves of U.S. dollars, which has resulted in a decrease in the Argentine Central Bank's international reserves from \$65.7 billion as of December 31, 2018 to \$39.6 billion as of January 5, 2022. Despite these efforts, the Argentine peso continued to depreciate against the U.S. dollar by 59.02% in 2019, 40.49% in 2020 and 22.11% in 2021, based on the official exchange rates published by the Argentine Central Bank. In order to control the increasing depreciation of the Argentine peso and the reduction in the Argentine Central Bank's reserves the Argentine government instated rigid restrictions and foreign exchange controls in September 2019, which, among other things, significantly curtailed access to the official foreign exchange market (the "FX Market") (see "[Information of the Company - Business Overview — Regulatory Overview — Foreign Exchange Controls — Argentina](#)"). As a consequence of these restrictions, an unofficial U.S. dollar trading market developed where the Argentine peso/U.S. dollar exchange rate is significantly higher than the official rate in the FX Market.

Historically, the Argentine government and provinces have defaulted on debt payments, which has limited their access, as well as that of private companies, to the international financial markets, and it has substantially increased their respective financing costs.

In June 2018, the International Monetary Fund ("IMF") approved a financial support plan for Argentina in the form of a stand-by arrangement for \$50 billion, which was increased to \$57.1 billion in September 2018. As of the date of this annual report, the IMF disbursed an aggregate of \$44.70 billion under the stand-by arrangement. The Argentine government is currently negotiating an extension with the IMF for repayments under the stand-by arrangement that mature in 2022. On January 28, 2022, the IMF staff and the Argentine government reached an understanding on key policies as part of the IMF support program; however, a final agreement will be subject to approval by the IMF's executive board and by the Argentine Congress, both of which approvals are pending as of the date of this report.

According to a report issued by the Secretary of Finance of Argentina, in December 2019, Argentina's foreign debt amounted to \$323.1 billion, which represented 89.5% of Argentina's GDP. Under the terms of the Argentine government's then-existing debt instruments, approximately \$69.7 billion of sovereign debt in foreign currency and Argentine pesos had matured in 2020. After several attempts, on August 28, 2020, the Argentine government restructured 99.01% of the aggregate principal amount of all series of approximately \$64.8 billion eligible bonds.

As a consequence of the foregoing, on March 20, 2020, the country risk index published by J.P. Morgan reached a peak of 4,269 basis points since the successful restructuring of the Argentine international sovereign bonds in August 2020.

If the Argentine government continues its intervention in the economy, does not restructure its outstanding debt with the IMF and continues to fail to urgently address the necessary measures to improve the macroeconomic condition of the country and reduce the fiscal deficit and inflation, the current economic conditions in Argentina may worsen, which could have an adverse effect on our financial condition, results and costs of operations.

The Argentine government, our Globers, and certain labor organizations may take actions that cause us to increase the amount of compensation we pay to our Globers, which could increase our operating costs and adversely affect our results of operations.

In the past, the Argentine government has passed laws, regulations and decrees requiring companies in the private sector to increase wages and provide specified benefits to employees, and may do so again in the future. For example, the Argentine government has required companies to double severance payments, prohibited companies from terminating employees without cause or based on a reduced utilization, and imposed mandatory salary increases and extraordinary bonus. In addition, Argentine employers, both in the public and private sectors, have experienced significant pressure, enhanced by high levels of inflation and intense competition for talent in the technology industry, from their employees and labor organizations to increase wages and provide additional employee benefits.

The foregoing factors may cause us to increase the amount of the compensation we pay to our Globers in Argentina, which could increase our operating costs and adversely affect our results of operations.

Argentine exchange controls and restrictions limit our access to the FX Market and impair the availability of foreign investments and international credit to us, each of which could have a material adverse effect on our financial condition.

The Argentine government has imposed rigid exchange controls and transfer restrictions, substantially limiting the ability of entities to obtain foreign currency and make certain payments and distributions out of Argentina. For example, the Argentine government requires receivables for export services to be repatriated and converted into Argentine pesos through the FX Market. In addition, the Argentine government restricted the payment of dividends and distribution of earnings from Argentine entities. For more information, see "[Information on the Company — Business Overview — Regulatory Overview — Foreign Exchange Controls — Argentina](#)". Although access to foreign currency and transfers out of Argentina can be achieved through capital markets transactions called blue-chip swaps, subject to certain restrictions, such transactions are significantly more expensive than foreign exchange through the FX Market.

These measures, and those that may be adopted by the Argentine government in the future, could have a material adverse effect on our financial condition.

Blue-chip swap transactions increase our exposure to fluctuations in the value of the Argentine peso, which, in turn, could have an adverse effect on our operations and the market price of our common shares.

During the years ended December 31, 2021, 2020 and 2019, our Argentine subsidiaries used cash received from repayments of intercompany loans and capital contributions to acquire Argentine sovereign bonds, in the U.S. market denominated in U.S. dollars.

After acquiring these bonds and after holding them for a certain period of time, our Argentine subsidiaries sold those bonds in the Argentine market. The fair values of the bonds in the Argentine market (in Argentine pesos) during the years ended December 31, 2021, 2020 and 2019 were higher than their quoted prices in the U.S. market (in U.S. dollars) converted at the official exchange rate prevailing in Argentina (which is the rate used to convert these transactions in foreign currency into our Argentine subsidiaries' functional currency). We recognized a gain when remeasuring the fair value of the bonds in Argentine pesos into U.S. dollars at the official exchange rate prevailing in Argentina where such bonds are sold in the Argentine market.

If we decide to engage in blue-chip swap transactions in the future, we cannot assure you that the quoted price of the Argentine sovereign bonds in Argentine pesos in the Argentine markets will be higher than the quoted price in the U.S. debt markets in U.S. dollars converted at the official exchange rate prevailing in Argentina or that the Argentine government will not make any legislative, judicial, or administrative changes or interpretations, any of which could impair our Argentine subsidiaries to pursue such transactions, and have a material adverse effect on our business, results of operations and financial condition.

If we do not maintain our registration under the Knowledge Economy promotional regime our results of operations could be adversely affected.

In May 2019, the Argentine Congress enacted Law No. 27,506 ("Ley de Economía del Conocimiento"), as amended by Law No. 27,570 (the "Knowledge Economy Law"). The Knowledge Economy Law was intended to promote digital, information and communication technologies and the highly-skilled human capital that creates and advances those technologies. The Knowledge Economy Law took effect as from January 1, 2020 for the legal entities eligible under the Software Promotion Law No. 25,922 (the "Software Promotion Law"), and for other eligible entities since the publication of the Knowledge Economy Law, and will be effective until December 31, 2029. In order to receive the tax benefits beneficiaries must obtain proper registration before the Registry of Beneficiaries of the Knowledge Based Economy Promotional Regime. If the applicable conditions are met, an entity's registration under the new regime is applied retroactively from January 1, 2020. Duties on export services are taxed at a 0% tax rate when such services are exported by entities registered under the Registry of Beneficiaries of the Knowledge Based Economy Promotional Regime. Additionally, this tax benefit applies to services exported by beneficiaries of the regime since their registration in the relevant registry. However, for those entities that were registered under the Software Promotion Law, the registration under the Knowledge Economy Law is granted as from January 1, 2020 and the 0% tax rate is applicable for services exported from the date in which Decree 1034/2020 entered into force (December 22, 2020).

Beneficiaries must prove, every two years, that they meet certain requirements to maintain their registration. Thus, if for any reason we do not maintain our registration under the Knowledge Based Economy Promotional Regime our results might be adversely affected.

Colombia

Economic and political conditions in Colombia may have an adverse effect on our business, financial condition and results of operations.

Colombia has a history of economic instability and crises (such as inflation or recession). While there is current political stability, laws and regulations are subject to change in the future and could adversely affect our business, financial condition and results of operations. In particular, fluctuations in the Colombian economy and actions adopted by the government of Colombia have had and may continue to have a significant impact on companies operating in Colombia. Specifically, we may be affected by inflation, foreign currency fluctuations, regulatory policies, business and tax regulations and, in general, by the political, social and economic scenarios in Colombia and in other countries that may directly or indirectly affect, among other, our ability to export from Colombia. Presidential 2022 elections in Colombia may impact regular proceedings with regulators, which may affect, among other, timings in required certifications, permits and even quota allocations.

Colombia's fiscal deficit and increasing public debt could adversely affect the Colombian economy. According to a preliminary estimation of the Ministry of Finance, Colombia's fiscal deficit was 7.1% of its GDP in 2021, 8.9% of its GDP in 2020 and 2.4% of its GDP in 2019. The Colombian government frequently intervenes in Colombia's economy and, from time to time, makes significant changes in monetary, fiscal and regulatory policy. A downgrade of Colombia's credit rating could adversely affect the Colombian economy and our results of operations. If the condition of the Colombian economy were to deteriorate, we would likely be adversely affected.

We may be adversely affected by changes in government or fiscal policies, and other political, diplomatic, social and economic developments that may affect Colombia. We cannot predict what policies will be adopted by the Colombian government and whether those policies would adversely affect the Colombian economy and, consequently, us.

Any additional taxes resulting from changes to tax laws or the interpretation of such laws could adversely affect our consolidated results.

Colombia underwent several tax reforms during the last ten years (see, "B - Business Overview- Regulatory Overview - Colombian Taxation"). On September 14, 2021, the Colombian Congress enacted Law No. 2,155, which is intended to generate tax revenue to cover COVID-19-related expenditures. Although the income tax withholding rates and general regime for payments made to foreign entities were not modified, the general corporate income tax rate was increased to 35%.

Changes in the tax laws that impose additional taxes on us in Colombia could negatively affect our results of operations and cash flow. In addition, national or local taxing authorities may not interpret tax regulations in the same way that we do, which could result in future tax litigation and associated costs.

The Colombian government and the Colombian central bank exercise significant influence on the Colombian economy, which could have an impact on our business, financial condition and results of operations.

The Colombian government and the Colombian central bank could intervene in Colombia's economy and make changes in monetary, fiscal and regulatory policy, which could result in currency devaluation and the changes in international reserves.

Although the Colombian government has not imposed foreign exchange restrictions since 1990, Colombia's foreign currency markets are highly regulated. Colombian law permits the Colombian central bank to impose foreign exchange controls to regulate the remittance of dividends and/or foreign investments in the event that the foreign currency reserves of the Colombian central bank fall below a level equal to the value of three months of imports of goods and services into Colombia. An intervention that precludes us from possessing, utilizing or remitting dollars could adversely impact our financial condition and results of operations.

During 2021, the Colombian peso declined approximately 16% against the U.S. dollar, almost 11 percentage points more than during 2020. The Colombian government may seek to implement new policies aimed at controlling further fluctuation of the Colombian peso against the U.S. dollar and fostering domestic price stability. The president of Colombia has considerable power to determine governmental policies and actions relating to the economy and may adopt policies that are inconsistent with those of the prior government or that negatively affect us.

Risks Related to the Company and the Ownership of Our Common Shares

The price of our common shares may be highly volatile.

The market price of our common shares may be volatile and may be influenced by many factors, some of which are beyond our control, including:

- the failure of financial analysts to cover our common shares or changes in financial estimates by analysts;
- actual or anticipated variations in our operating results;
- changes in financial estimates by financial analysts, or any failure by us to meet or exceed any of these estimates, or changes in the recommendations of any financial analysts that elect to follow our common shares or the shares of our competitors;
- announcements by us or our competitors of significant contracts or acquisitions;
- future sales of our common shares; and
- investor perceptions of us and the industries in which we operate.

In addition, the equity markets in general have experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of particular companies affected. These broad market and industry factors may materially harm the market price of our common shares, regardless of our operating performance. In the past, following periods of volatility in the market price of certain companies' securities, securities class action litigation has been instituted against these companies. This litigation, if instituted against us, could adversely affect our financial condition or results of operations.

Holders of our common shares may experience losses due to increased volatility in the U.S. capital markets.

The U.S. capital markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance or results of operations of those companies. These broad market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, as well as volatility in international capital markets, may cause the market price of our common shares to decline.

In addition, downgrades to the U.S. government's sovereign credit rating by any rating agency, as well as negative changes to the perceived creditworthiness of U.S. government-related obligations, could have a material adverse impact on financial markets and economic conditions in the United States and worldwide. Any volatility in the capital markets in the United States or in other developed countries, whether resulting from a downgrade of the sovereign credit rating of U.S. debt obligations or otherwise, may have an adverse effect on the price of our common shares.

We may be classified by the Internal Revenue Service as a "passive foreign investment company" (a "PFIC"), which may result in adverse tax consequences for U.S. investors.

We believe that we will not be a PFIC for U.S. federal income tax purposes for our current taxable year and do not expect to become one in the foreseeable future. However, because PFIC status depends upon the composition of our income and assets and the market value of our assets (including, among others, less than 25% owned equity investments) from time to time, there can be no assurance that we will not be considered a PFIC for any taxable year. Because we have valued goodwill based on the market value of our equity for purposes of taxation, a decrease in the price of our common shares may also result in us becoming a PFIC. The composition of our income and our assets will also be affected by how, and how quickly, we spend the cash. Under circumstances where the cash is not deployed for active purposes, our risk of becoming a PFIC may increase. If we were treated as a PFIC for any taxable year during which a U.S. investor held common shares, certain adverse tax consequences could apply to such U.S. investor. See "[Additional Information — Taxation — U.S. Federal Income Tax Considerations — Passive foreign investment company rules.](#)"

We may need additional capital and we may not be able to obtain it.

We believe that our existing cash and cash equivalents and cash flows from operations, including the cash available under our revolving line of credit, will be sufficient to meet our anticipated cash needs for at least the next 12 months. We may, however, require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If these resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities or obtain another credit facility or expand the existing one. The sale of additional equity securities could result in dilution to our shareholders. The incurrence of indebtedness would result in increased debt service obligations and could require us to agree to additional operating and financing covenants that would restrict our operations.

Our ability to obtain additional capital on acceptable terms is subject to a variety of uncertainties, including:

- investors' perception of, and demand for, securities of technology services companies;
- conditions of the U.S. capital markets and other capital markets in which we may seek to raise funds;
- our future results of operations and financial condition;
- government regulation of foreign investment in the United States, Europe, and Latin America; and
- global economic, political and other conditions in jurisdictions in which we do business.

Concentration of ownership among our existing executive officers, directors and principal shareholders may prevent new investors from influencing significant corporate decisions or adversely affect the trading price of our common shares.

As of February 11, 2022, our directors and executive officers, entities affiliated with them and greater than 5% shareholders, beneficially own an aggregate of approximately 22.44% of our outstanding common shares, of which 0.59% represents common shares subject to options that currently are exercisable or will be exercisable within 60 days of February 11,

2022 as well as common shares issuable upon settlement of restricted stock units that have vested or will vest within 60 days of February 11, 2022. As a result, these shareholders may exercise significant influence over matters requiring shareholder approval, including the election of directors and approval of significant corporate transactions, and may have significant influence over our management and policies. This concentration of influence could be disadvantageous to other shareholders with interests different from those of our officers, directors and principal shareholders. For example, our officers, directors and principal shareholders could delay or prevent an acquisition or merger even if the transaction would benefit other shareholders. In addition, this concentration of share ownership may adversely affect the trading price of our common shares because investors often perceive disadvantages in owning shares in companies with principal shareholders.

Our business and results of operations may be adversely affected by the increased strain on our resources from complying with the reporting, disclosure, and other requirements applicable to public companies in the United States.

Compliance with existing, new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance. Changing laws, regulations and standards include those relating to accounting, corporate governance and public disclosure; these include but are not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Sarbanes-Oxley Act of 2002, new SEC regulations and New York Stock Exchange ("NYSE") listing guidelines that result out of the NYSE listing. These laws, regulations and guidelines may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. In particular, our efforts to comply with certain sections of Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404") and the related regulations regarding required assessment of internal controls over financial reporting and our independent registered public accounting firm audit of that assessment requires the commitment of significant financial and managerial resources. Testing and maintaining internal controls can divert our management's attention from other matters that are important to the operation of our business. We also expect the regulations to increase our legal and financial compliance costs, make it more difficult to attract and retain qualified officers and members of our board of directors, particularly to serve on our audit committee, and make some activities more difficult, time consuming and costly.

Existing, new and changing corporate governance and public disclosure requirements could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such governance standards. Our efforts to comply with evolving laws, regulations and standards have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In addition, new laws, regulations and standards regarding corporate governance may make it more difficult for our company to obtain director and officer liability insurance. Further, our board members and senior management could face an increased risk of personal liability in connection with their performance of duties. As a result, we may face difficulties attracting and retaining qualified board members and senior management, which could harm our business. If we fail to comply with new or changed laws or regulations and standards differ, our business and reputation may be harmed.

Failure to establish and maintain effective internal controls in accordance with Section 404 could have a material adverse effect on our business and common share price.

As a public company, we are required to document and test our internal control procedures in order to satisfy the requirements of Section 404, which requires management assessments and certifications of the effectiveness of our internal control over financial reporting. Although we have concluded that our internal control over financial reporting is effective as of December 31, 2021 (see [Item 15. Controls and Procedures for additional information](#)), we, or our independent registered public accounting firm, may identify existing or new material weaknesses in the future and, accordingly, may not be able to conclude that our internal control over financial reporting is effective in future periods as required by Section 404. If we conclude that our internal control over financial reporting is not effective, we cannot be certain as to the timing, cost or management attention that would be required with respect to remediation actions and testing or their effect on our operations.

If we are unable to conclude that we have effective internal control over financial reporting, our independent registered public accounting firm is unable to provide us with an unqualified report as required by Section 404, or we are required to restate our financial statements for errors resulting from material weaknesses in our internal controls over financial reporting, we may fail to meet our public reporting obligations and investors could lose confidence in our reported financial information, which could have a negative effect on the trading price of our common shares.

Our exemption as a "foreign private issuer" from certain rules under the U.S. securities laws may result in less information about us being available to investors than for U.S. companies, which may result in our common shares being less attractive to investors.

As a "foreign private issuer" in the United States, we are exempt from certain rules under the U.S. securities laws and are permitted to file less information with the SEC than U.S. companies. As a "foreign private issuer," we are exempt from certain rules under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), that impose certain disclosure obligations and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. In addition, our officers, directors and principal shareholders are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of our common shares. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as companies that are not foreign private issuers whose securities are registered under the Exchange Act. In addition, we are not required to comply with Regulation FD, which restricts the selective disclosure of material information. As a result, our shareholders may not have access to information they may deem important, which may result in our common shares being less attractive to investors.

We do not plan to declare dividends, and our ability to do so will be affected by restrictions under Luxembourg law.

We have not declared dividends in the past and do not anticipate paying any dividends on our common shares in the foreseeable future. In addition, both our articles of association and the Luxembourg law of August 10, 1915 on commercial companies, as amended (*loi du 10 août 1915 sur les sociétés commerciales telle que modifiée*) (the "Luxembourg Companies Law"), require a general meeting of shareholders to approve any dividend distribution except as set forth below.

Our ability to declare dividends under Luxembourg law is subject to the availability of distributable earnings or available reserves, including share premium. Moreover, if we declare dividends in the future, we may not be able to pay them more frequently than annually. As permitted by Luxembourg Companies Law and subject to the provisions thereof, our articles of association authorize the declaration of dividends more frequently than annually by our board of directors in the form of interim dividends so long as the amount of such interim dividends does not exceed total net income made since the end of the last financial year for which the standalone annual accounts have been approved, plus any net income carried forward and sums drawn from reserves available for this purpose, less the aggregate of the prior year's accumulated losses, the amounts to be set aside for the reserves required by law or by our articles of association for the prior year, and the estimated tax due on such earnings.

We depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make dividend payments, which they may not be able to do.

Our subsidiaries conduct all of our operations. We have no relevant assets other than the equity interests in our subsidiaries. As a result, our ability to make dividend payments depends on our subsidiaries and their ability to distribute funds to us. The ability of a subsidiary to make these distributions could be affected by covenants in our or their financing agreements or by the law of their respective jurisdictions of incorporation. If we are unable to obtain funds from our subsidiaries, we will be unable to distribute dividends. We do not intend to seek to obtain funds from other sources to pay dividends.

Our shareholders may have more difficulty protecting their interests than they would as shareholders of a U.S. corporation, which could adversely impact trading in our common shares and our ability to conduct equity financings.

Our corporate affairs are governed by our articles of association and the laws of Luxembourg, including the laws governing joint stock companies. The rights of our shareholders and the responsibilities of our directors and officers under Luxembourg law are different from those applicable to a corporation incorporated in the United States. There may be less publicly available information about us than is regularly published by or about U.S. issuers. In addition, Luxembourg law governing the securities of Luxembourg companies may not be as extensive as those in effect in the United States, and Luxembourg law and regulations in respect of corporate governance matters might not be as protective of minority shareholders as state corporation laws in the United States. Therefore, our shareholders may have more difficulty in protecting their interests in connection with actions taken by our directors and officers or our principal shareholders than they would as shareholders of a corporation incorporated in the United States.

Neither our articles of association nor Luxembourg law provides for appraisal rights for dissenting shareholders in certain extraordinary corporate transactions that may otherwise be available to shareholders under certain U.S. state laws. As a result of these differences, our shareholders may have more difficulty protecting their interests than they would as shareholders of a U.S. issuer.

Holders of our common shares may not be able to exercise their pre-emptive subscription rights and may suffer dilution of their shareholding in the event of future common share issuances.

Under Luxembourg Companies Law, our shareholders benefit from a pre-emptive subscription right on the issuance of common shares for cash consideration. However, in accordance with Luxembourg law, our articles of association authorize our board of directors to suppress, waive or limit any pre-emptive subscription rights of shareholders provided by Luxembourg law to the extent our board deems such suppression, waiver or limitation advisable for any issuance or issuances of common shares within the scope of our authorized share capital. Such common shares may be issued above, at or below market value as well as by way of incorporation of available reserves (including a premium). This authorization is valid from the date of the extraordinary general meeting of shareholders, which was held on April 3, 2020, and ends on April 3, 2025, the fifth anniversary of the date of such meeting. In addition, a shareholder may not be able to exercise the shareholder's pre-emptive right on a timely basis or at all, unless the shareholder complies with Luxembourg Companies Law and applicable laws in the jurisdiction in which the shareholder is resident, particularly in the United States. As a result, the shareholding of such shareholders may be materially diluted in the event common shares are issued in the future. Moreover, in the case of an increase in capital by a contribution in kind, no pre-emptive rights of the existing shareholders exist.

We are organized under the laws of the Grand Duchy of Luxembourg and it may be difficult for you to obtain or enforce judgments or bring original actions against us or our executive officers and directors in the United States.

We are organized under the laws of the Grand Duchy of Luxembourg. The majority of our assets are located outside the United States. Furthermore, the majority of our directors and officers and some experts named in this annual report reside outside the United States and a substantial portion of their assets are located outside the United States. Investors may not be able to effect service of process within the United States upon us or these persons or to enforce judgments obtained against us or these persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws. Likewise, it may also be difficult for an investor to enforce in U.S. courts judgments obtained against us or these persons in courts located in jurisdictions outside the United States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws. It may also be difficult for an investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against us or these persons. Furthermore, Luxembourg law does not recognize a shareholder's right to bring a derivative action on behalf of the company except in limited cases.

As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and the Grand Duchy of Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. A valid judgment in civil or commercial matters obtained from a court of competent jurisdiction in the United States may be entered and enforced through a court of competent jurisdiction in Luxembourg, subject to compliance with the enforcement procedures (*exequatur*). The enforceability in Luxembourg courts of judgments rendered by U.S. courts will be subject prior any enforcement in Luxembourg to the procedure and the conditions set forth in the Luxembourg procedural code, which conditions may include the following as of the date of this annual report (which may change):

- the judgment of the U.S. court is final and enforceable (*exécutoire*) in the United States;
- the U.S. court had jurisdiction over the subject matter leading to the judgment (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with the applicable domestic U.S. federal or state jurisdictional rules);
- the U.S. court has applied to the dispute the substantive law that would have been applied by Luxembourg courts;
- the judgment was granted following proceedings where the counterparty had the opportunity to appear and, if it appeared, to present a defense, and the decision of the foreign court must not have been obtained by fraud, but in compliance with the rights of the defendant;
- the U.S. court has acted in accordance with its own procedural laws;
- the judgment of the U.S. court does not contravene Luxembourg international public policy; and
- the U.S. court proceedings were not of a criminal or tax nature.

Under our articles of association and also pursuant to separate indemnification agreements, we indemnify our directors for and hold them harmless against all claims, actions, suits or proceedings brought against them, subject to limited exceptions. The rights and obligations among or between us and any of our current or former directors and officers are generally governed by the laws of the Grand Duchy of Luxembourg and subject to the jurisdiction of the Luxembourg courts, unless such rights or obligations do not relate to or arise out of their capacities listed above. Although there is doubt as to whether U.S. courts would enforce such provision in an action brought in the United States under U.S. federal or state securities laws, such provision could make enforcing judgments obtained outside Luxembourg more difficult to enforce against our assets in Luxembourg or jurisdictions that would apply Luxembourg law.

Luxembourg insolvency laws may offer our shareholders less protection than they would have under U.S. insolvency laws.

As a company organized under the laws of the Grand Duchy of Luxembourg and with its registered office in Luxembourg, we are subject to Luxembourg insolvency laws in the event any insolvency proceedings are initiated against us including, among other things, Regulation (EU) No. 2015/848 of the European Parliament and the Council of May 20, 2015 on insolvency proceedings (recast). Should courts in another European country determine that the insolvency laws of that country apply to us in accordance with and subject to such EU regulations, the courts in that country could have jurisdiction over the insolvency proceedings initiated against us. Insolvency laws in Luxembourg or the relevant other European country, if any, may offer our shareholders less protection than they would have under U.S. insolvency laws and make it more difficult for them to recover the amount they could expect to recover in a liquidation under U.S. insolvency laws.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

We were founded in 2003 by Martín Migoya, our Chairman and Chief Executive Officer; Guibert Englebienne, our President of Globant X, Globant Ventures and Latin America; Martín Umaran, our Chief Corporate Development Officer and President of EMEA; and Nestor Nocetti, our Executive Vice President of Corporate Affairs. Our founders' vision was to create a global company that succeeds by transforming organizations and providing opportunities for talent around the world to make a positive global impact.

Since we were founded in 2003, we have benefited from strong organic growth and have built a roster of world-class clients, many of which are at the forefront of emerging technologies. Over that same period, we have expanded our network of locations, and we are now present in 18 different countries. In addition, we have garnered several awards and recognition from organizations such as Endeavor, the IDC MarketScape, Global Services, the International Association of Outsourcing Professionals, and Fast Company, and we have been the subject of business-school case studies on entrepreneurship at the Massachusetts Institute of Technology, Harvard University and Stanford University in conjunction with the World Economic Forum.

In 2009, we created our Studio Model. Our Studios have deep pockets of expertise across industries and in the latest technologies and trends. We believe our Studio model helps us foster creativity and innovation while allowing us to build, enhance and consolidate expertise around a variety of emerging technologies. Our Studios leverage specific expertise to deliver tailored solutions to address our clients' technological challenges. Our Digital Studios have been our trademark for delivering quality services over the years, and we have added new Studios to better serve our ever-evolving industry and assist our customers in transforming their organizations.

In July 2014, we closed the initial public offering of our common shares in the United States. Since then, we have closed five follow-on offerings in the United States, with the most recent offering occurring in May 2021.

While our growth has primarily been organic, we have made complementary acquisitions since 2008. Our acquisition strategy is focused on deepening our relationship with key clients, extending our technology capabilities, broadening our service offering and expanding the geographic footprint of our delivery centers worldwide. In recent years, we acquired PointSource and Small Footprint Inc, with the purpose of expanding our capabilities in the United States, while opening our expansion into Eastern Europe with operations in Belarus and Romania. Also, with the acquisition of Avanzo (Bermuda) Limited ("Avanzo") and Belatrix Global Corporation S.A. ("Belatrix"), we extended our technology capabilities and also expand our presence in Brazil, Mexico, Colombia, Peru, Argentina, Spain and the United States. In 2020, we acquired Grupo Assa Worldwide S.A. ("Grupo Assa") to reinforce leadership in digital and cognitive transformation, and Spain-based BlueCap Management Consulting S.L. ("BlueCap"), to expand our footprint in the EMEA region and strengthen consulting services in the financial and investment sector.

In 2021, we acquired Cloudshift, a leading Salesforce partner in the UK that specializes in multi-cloud digital transformation. Also, we acquired Hybrido Worldwide, S.L. ("Habitat") to reinforce our capabilities in digital marketing, MadTech and digital sales, and enhance our footprint in Europe. We also acquired an 80% stake in Walmeric Soluciones S.L. ("Walmeric"), a company that specializes in marketing automation technology, combining lead management, online marketing and sales enablement. The Walmeric transaction represents our first product-oriented acquisition and is expected to strengthen our capabilities with respect to digital marketing and digital sales. To expand and further improve our blockchain and crypto-related solutions, we acquired Atix Labs S.R.L. and Atix Labs LLC ("Atix"), a professional services company that specializes in blockchain. Most recently, we acquired Navint Partners, LLC and certain of its affiliated entities (collectively "Navint Group"), a leading lead-to-revenue Salesforce partner to strengthen our Salesforce Studio's end-to-end business transformation capabilities and expand our service footprint in the United States, Europe, Middle East and Africa ("EMEA"), and India. For a further description of important corporate developments since January 1, 2020, see ["Financial Statements —Note 26. Business Combinations."](#)

In 2019, we launched Be Kind, our long-term sustainability framework. Be Kind is an essential part of our culture in which we encourage everyone to be kind to themselves, their peers, the planet and humanity.

In 2020, we launched Augmented Coding, our cutting-edge AI powered tool for software development. It is a product that accelerates the software development process and improves the coding experience for developers by using AI as a code-understanding and code-suggestion source. As a result, the time-to-market for new products is shortened, improving team collaboration, performance and capacity.

We were recognized as a 2020 Worldwide Leader in CX Improvement by IDC MarketSpace. This recognition highlights our efforts to deliver a better experience for clients around the world.

In 2021, we established Globant X, an incubator focused on nurturing and cultivating our homegrown innovation. Globant X aims to productize our most transformative technology into platforms.

In November 2021, we expanded our signature Studio model with the launch of our Reinvention Studios. This new breed of studios lean on the technological expertise of our Digital Studios to drive transformation in specific industries, including gaming, media and entertainment, life sciences, finance, travel and hospitality and airlines.

In 2021, in connection with our Be Kind to the Planet commitment, we became carbon neutral and signed the Science-Based Targets commitment to reinforce our mission to fight climate change. Our efforts to become a net-zero company are aligned with our commitment to make the world a better place.

Corporate Information

Our principal executive office is located at 37A Avenue J.F. Kennedy L-1855, Luxembourg, and our telephone number is + 352 20 30 15 96 . We maintain a website at <http://www.globant.com>. Our website and the information accessible through it are not incorporated into this annual report.

The SEC maintains an internet site at <http://www.sec.gov> that contains reports, information statements, and other information regarding issuers that file electronically with the SEC.

B. Business Overview

Overview

Established less than 20 years ago by four friends in Argentina, we have evolved to become a leading global technology service provider. Today, we are a publicly-traded company, with our common shares listed on the NYSE under the ticker symbol "GLOB". We continue to maintain the entrepreneurial spirit of our founders throughout our business.

We were one of the first companies to deliver engineering, innovation and design at scale, and we believe that professional services organizations must evolve with technological advances. We have had success facilitating digital transformations while many traditional IT outsourcing vendors and consulting companies have and continue to struggle.

Our clients are facing an accelerated need to bridge their digital business gaps to better support their customers and employees. We leverage our cross-industry expertise and deep understanding of technology to focus on key areas of our clients' businesses to facilitate their digital transformations.

We strive to make the world a better place and, in furtherance of that objective, we focus on three key areas: our Be Kind initiative, our talent and culture, and our services. We believe our focus on these areas has contributed to our success and our clients' success.

We take pride in our people, and consider them to be our greatest strength. We are committed to growing our community with an emphasis on diversity and inclusion. We have development centers in North America, Latin America, Europe and Asia, where we have established initiatives to promote and assist individuals who wish to join the IT industry. As of December 31, 2021, we had 23,526 Globers across 18 countries.

Our principal operating subsidiaries are located in Argentina, Chile, Colombia, India, Mexico, Peru, Spain, United Kingdom, United States and Uruguay.

For the year ended December 31, 2021, 64.1% of our revenues were generated by clients in North America, 22.6% in Latin America and Others, 11.7% in Europe and 1.6% in Asia.

Our clients include leading global companies such as Walt Disney Parks and Resorts Online, which was among our top ten clients in the year ended December 31, 2021. Additionally, for the year ended December 31, 2021, 91.9% of our revenues came from existing clients who used our services in the prior year. We believe our success in building our client base in one of the most sophisticated and competitive markets for IT services demonstrates the strength of our value proposition, the quality of our execution and the value of our culture of innovation and entrepreneurial spirit.

The market opportunity

We are witnessing a transcendental time for technology. Significant technological advancements and societal shifts occurred during the past decade that have impacted businesses. As a result, organizations have a significant opportunity to expand into new areas of the market.

COVID-19 has caused radical changes throughout the world, many of which we believe are here to stay. These changes are pushing organizations to evolve and accelerate their digital transformations. Customer engagement has been one of the top strategic business objectives for organizations worldwide, and the need to evolve rapidly has never been more critical.

According to IDC, digital transformation spending will represent 55% of all technology investment worldwide by 2024, reaching \$6.3 trillion between 2022 and 2024. Over 50% of global companies will have an enterprise-wide digital transformation strategy.

- Around 80% of consumers will see the world as all digital, with no divide, according to Forrester's predictions for 2022.
- By 2024, digital-first enterprises will enable empathetic customer experiences and resilient operating models by shifting 70% of all tech and services spending to as-a- service and outcomes-centric models, according to IDC.
- By 2026, enterprises that successfully generate digital innovation will derive over 25% of their revenue from digital products, services, and/or experiences, according to IDC.
- By 2026, 85% of enterprises will combine human expertise with artificial intelligence ("AI"), machine learning ("ML"), natural language processing and pattern recognition to augment foresight across the organization, making workers 25% more productive and effective, according to IDC

Business and Tech trends

The pace of change in the technology field has increased exponentially. It has never been more important for businesses to adjust to shifting priorities and demands from their customers and employees. An intense focus on customer-centricity, while leveraging new and emerging technologies to create exceptional experiences, will set businesses apart from their competitors.

- **Business models will be amended to focus on strategic alliances across industries and establish a new paradigm for customer relationships.** Organizations must take proactive steps to identify new business opportunities and detect places for optimization and efficiencies to continuously drive growth. As industry boundaries begin to fade, the need for collaboration and innovative business alliances will continue to emerge. Increasing joint efforts across industries will amend business models in 2022. New business models are expected to include phygital (a combination of physical and digital) retail experiences and phygital marketing, creating new relationships with their customers and delivering a unique value proposition that combines the physical and digital worlds.
- **Adaptability, flexibility and sustainability are key drivers to maintaining a high-performing workplace.** In 2022, we expect companies to implement new talent attraction and retention strategies whereby companies will invest in digitizing employee experiences while transforming the relationship between employers and employees. We also believe that sustainability initiatives will enhance an organization's ability to develop and execute strategies that promote cultural and economic change. Businesses can utilize technology to create sustainable purposes and goals, making them part of the climate solution while attracting like-minded employees. Developing a well-established technological infrastructure will enable organizations to offer the necessary elements to drive productivity and collaboration within a hybrid workforce model. Data and AI will be critical in the creation of engaging workplace experiences.
- **The metaverse will create new spaces for companies to extend their presence, offering, and creativity, maximizing engagement with clients and employees.** Organizations will need to adapt and modify their business models as they consider the impact the metaverse could have on commerce, market trends, client and employee relationships, and how the metaverse can provide them with a competitive edge.
- **Remaining human-centric amidst technological advances in AI and ML will be critical.** Artificial intelligence (AI) and machine learning (ML) are helping organizations create more personalized experiences, focusing on tailor-made offers and opportunities. At the same time, AI and ML are aiding in automating processes to increase efficiency, optimize data collection, and simplify decision-making. Maintaining a customer-centric approach to these technological enhancements will be imperative, bringing people and technology together.

- **Blockchain and decentralization will drive change.** As applications and platforms become decentralized, organizations will start to transform their respective business models to create strategic alliances and collaborative technologies, such as blockchain, that will enable cross-industry connections, establishing a fully integrated interconnection and functionality for their users through the use of APIs.

Strategy

We seek to maintain our status as a leading digital transformation services provider that leverages the latest technologies and methodologies to help organizations respond to the changing demands of their customers and employees. The key elements of our strategy for achieving this objective are, described below:

Grow revenue with existing and new clients

We will continue to focus on delivering innovative and high value-added solutions that drive revenues for our clients, thereby deepening our relationships and leading to additional revenue opportunities with them. We will continue to target new clients by leveraging our engineering, design and innovation capabilities and our deep understanding of emerging technologies and industries. We will focus on building our brand in order to further penetrate our existing and target markets where there is a strong demand for our knowledge and services.

Remain at the forefront of emerging technologies and digital transformation

We believe our Studios have been highly effective in enabling us to deliver innovative software solutions that leverage our deep domain expertise across industries, in emerging technologies and related market trends. As new technologies emerge and as market trends change, we will continue to add Studios to remain at the forefront of innovation and digital transformation, which will enable us to enter new markets and capture additional business opportunities.

Development of products and platforms

We will continue to focus on expanding our product and platform offerings to complement our service offerings. We established Globant X, an incubator dedicated to nurturing our homegrown innovation. We expect Globant X to help productize transformative technology into platforms and create new revenue models.

Attract, train and retain top-quality talent

We place a high priority on recruiting, training, and retaining employees, which we believe is integral to our continued ability to meet the challenges of the most complex software development assignments. In doing so, we seek to decentralize our delivery centers by opening centers in locations that may not have developed IT services markets but can provide professionals with the caliber of technical training and experience that we seek. In doing so, we offer highly attractive career opportunities to individuals who might otherwise have had to relocate to larger IT markets. We will continue to develop our scalable human capital platform by implementing resource planning and staffing systems and by attracting, training and developing high-quality professionals, strengthen our relationships with leading universities in different countries, and help universities better prepare graduates for work in our industry. We have agreements to teach, provide internships, and interact on various initiatives with several universities throughout the world.

Selectively pursue strategic acquisitions

In building on our track record of successfully acquiring and integrating complementary companies, we will continue to selectively pursue strategic acquisition opportunities that deepen our relationships with key clients, extend our technology capabilities, broaden our service offerings and expand the geographic footprint of our delivery centers in order to enhance our ability to serve our clients.

Competitive Strengths

We believe the following strengths differentiate Globant and create the foundation for continued rapid growth in revenues and profitability:

Deep domain expertise across industries, in emerging technologies and related market trends

We have deep domain expertise across industries, in emerging technologies and related market trends. We organize our areas of expertise in Studios, which we believe provide us with a strong competitive advantage and allow us to leverage prior experiences to deliver superior solutions to clients.

Long-term relationships with blue chip clients

We have built a roster of blue chip clients such as Google, Electronic Arts, Southwest Airlines Co. and Walt Disney Parks and Resorts Online, many of which themselves are at the forefront of emerging technologies. In particular, we have been working with Disney and Electronic Arts for more than ten years. We believe that our success in developing these client relationships reflects the innovative and high value-added services that we provide along with our ability to positively impact our clients' business. Our relationships with these enterprises provide us with an opportunity to access large IT, research and development and marketing budgets. These relationships have driven our growth and have enabled us to engage with new clients.

Global delivery with access to deep talent pool

A key element of our strategy is to expand our delivery footprint, including increasing the number of employees that work onsite at our clients or near client locations. In particular, we intend to focus our recruitment efforts on the United States. We will continue to focus on expanding our global delivery footprint to gain access to additional pools of talent to effectively meet the demands of our clients.

Highly experienced management team

Our management team is comprised of seasoned industry professionals with global experience. Our management sets the vision and strategic direction for Globant and drives our growth and entrepreneurial culture. On average, the members of our senior management team have 20 years of experience in the technology industry giving them a comprehensive understanding of the industry as well as insight into the industries in which our clients operate, emerging technologies and opportunities for strategic expansion.

Our services

Companies are facing an accelerated need to adapt their business models, multiply their impact and enable a path for future success. We believe that organizations with the ability to adapt and respond to changing demands from customers and employees will survive and thrive.

We help our clients re-examine their core business models and effectuate changes in to enable sustainable success.

We deliver our services through our Studio model, Globant X, and our global autonomous culture, each of which is further described below.

1. Our Studios:

We believe that our Studio model is an effective way of organizing our company into smaller operating units, fostering creativity and innovation while allowing us to build, enhance and consolidate expertise around a variety of emerging technologies and industries. Our Studios have deep pockets of expertise across industries and in the latest technologies and trends. We utilize our Studio model to deliver tailored solutions focused on specific challenges and improving the connection between organizations and their customers and employees.

Our Reinvention Studios were designed to focus on specific industries in order to assist our customers reconfigure their businesses, operations and technology to respond to demands from customers and employees.

Our Digital Studios focus on developing business models and technical capabilities in the latest technologies and trends to help our customers with their digital transformation, digitizing processes, experiences, and their relationships with their stakeholders, among others.

Our Reinvention Studios:

Airlines: Enhancing passengers experience through digital innovation

Recognizing the highly competitive and regulated nature of the airline industry, we leverage our cross-industry expertise to drive digital transformation by positioning the passenger experience at the forefront of strategic initiatives

The portfolio of services we provide through this Studio includes:

- **eCommerce:** We provide strategic consulting to our clients intended to mitigate complexities in their businesses and embrace an order-centric approach. Leveraging the power of data, we help our clients build customized, unique experiences for their passengers, enabling them to handle trips, products, and services in a seamless manner.
- **New Distribution Capabilities (NDC):** We provide public application programming interface ("API") consulting that leverages our extensive experience in NDC and OpenTravel industry standards across different versions and implementation strategies as an alternative to classic indirect channel solutions. NDC Strategy allows airlines independence from global distribution systems for distributions, enabling better and more specific ancillary offerings and improved fulfillment capabilities.
- **Augmented Revenue Management:** Leveraging ML and advanced visualization, we provide analysts with a better understanding of trends in the marketplace, enabling the automation of the simpler and more mechanical decisions, while allowing them to work on more complex decisions.
- **Hyper Connected Operations:** AI enables faster decision making and better communication with the crew and ground personnel. It allows rapid and effective irregular operations management and real time optimization by detecting patterns and proactively simulating "what if scenarios." An integrated customer database with a crew system enables a better customer relationship management of FFP with a higher level of personalization, as well as better visibility of customer needs and situations during a disruption.
- **Conversational User Experience:** We leverage Machine Learning Techniques and AI to increase the ability of the passenger to interact in a human-like way with IVRs and contact centers, which enables a better experience for complex customer needs.

Bluecap future finance: driving innovation in financial institutions

This Studio leverages our in-depth expertise in the financial sector to deliver customized transformational programs tailored to our client's needs, which boost new business models and strategies, while enhancing the experience of customers.

The portfolio of services we provide through this Studio includes:

- **Digital Lending** - We empower financial institutions to adopt the most innovative digital lending practices and enhance the experience for banks, specialized lenders and consumers.
- **Commercial Effectiveness** -The way in which financial institutions have offered their services to customers has completely changed. Customer expectations are at an all-time high, competition is increasing, and margins are under constant pressure. We help financial institutions reinvent their commercial strategy, transforming their distribution model, customer value propositions, branch-network productivity and incentive schemes to gain efficiency and effectiveness in all customer interactions.
- **Finance, Sustainability & Regulation Analytics** - To optimize their results, financial institutions must efficiently deploy their resources and capital. Optimization requires an accurate cost-benefit analysis of financial and non-financial risks, such as transitions risks and physical risks. Based on our expert knowledge in finance and regulation, and the use of advanced data and AI capabilities, we are enabling financial and capital management to adapt to new challenges.
- **Transformation and Post-Merger Integration** - The banking industry is going through continuous consolidation cycles, driven by the need to increase efficiency. We help financial institutions design their target operating models and provide functional support and Smart PMO during the integration process.

- **Payment Solutions & Open Banking** - We assist financial institutions with their payment solutions to evaluate and reshape their existing capabilities, fraud and acceptance models, processes and customer journeys, among others. These solutions are driven by our deep knowledge of advanced analytics and awareness of new open banking trends and their impact on the entry of new competitors.

Gaming: Engaging through play

Our Gaming Studio specializes in the design and development of world-class games and digital platforms, which work across console, PC, web, social and mobile channels.

We enable our clients to leverage game mechanics by helping them develop a vision and execute an idea through production, launch and operation. We believe that our expertise and experience with some of the most recognized companies in the gaming industry enables us to add value to our customers' businesses. We utilize our experience, creative talent, well-established technology frameworks and processes to scale and foster innovation.

The portfolio of services we provide through our Gaming Studio includes:

- **Game and graphic engineering** - We engineer gaming and graphics to support Unreal, Unity, C++ and custom game engines including rendering systems and game engine support.
- **UI and UX design** - We assist companies with design, engineering and art, and QA support
- **Online services** - We help companies to integrate lobby services, multiplayer, match-making, user authentication, events, achievements, eCommerce and cloud-supported backends.
- **Game as a service (GaaS)** - We provide services to establish subscriptions, microtransactions, online stores, notifications, promotions & offers into games.
- **High tech tools** - We engineer platforms for rendering, level design, community, engine optimization and more.
- **DevOps** - We assist companies in their continuous integration and development and cloud services for AWS, Azure, Google Cloud Platform, and custom solutions.

Life Sciences: We use technology to provide people with better health, equality and a more sustainable world

We improve the connection between technology and life sciences, combining bio-science talent with innovative technology solutions.

The portfolio of services we provide through this Studio includes:

- **Smart Farming** - Smart farming presents ways to optimize how food is produced and how to meet the increasing demands from a rising global population. We work with organizations to improve their production, using a variety of tools, theories and technologies.
- **Image Diagnosis** - Biomedicine is a complex field where scientists are making rapid advances. Image diagnosis is helping to not only uncover intrinsic and correlated connections between variables to help provide better treatment options, but is also reducing the time it takes to find, diagnose, and treat disease.
- **Healthcare Interoperability** - As a digital native company we are ready to help healthcare organizations digitize their solutions and ensure that data can be easily shared between different systems. We focus on digitizing healthcare ecosystems, taking into account the strict compliance and regulations in these environments.
- **Genomics data processing** - The human genome was unlocked back in 2003, but still only a small proportion is fully understood and used in activities such as genetic screening, disease prediction, and drug development. We combine a variety of technologies and techniques such as AI, big data, cloud computing and parallel programming to advance our understanding of the human genome and its applications in bio-related fields.
- **Telemedicine & medical devices** - With our experience in complex media and communications solutions, we help companies bridge the gap between the dynamics of diagnosis and inter-patient communications. Our practice focuses on combining the best digital tools with an empathic, patient-centric approach.
- **Patient Journey** - Our human centered design approach improves patient journeys, bringing together patients, doctors, services and data. We help organizations create new means of communication and service channels.
- **R&D** - We provide a unique approach to R&D, by combining best practices from the software development industry with specialized bio-science knowledge. Our practice offers organizations the opportunity to blend in-depth research with the methodical and rigorous process of software development.

- **Precision Medicine** - The healthcare industry is increasingly developing techniques, methods and tools to provide individuals with tailored and personalized medical approaches. Our precision medicine practice covers the entire spectrum - from genetic screening, to drug development and medical supply chain issues, to a focus on personalized disease treatment and detection. We also research the evolution of pathologies to inform these precision medicine approaches.

Media and Entertainment: Reach and engage new audiences

Our Media and Entertainment Studio designs, builds and launches premium video experiences across every mobile device, OTT box, smart TV, and game console for our media clients.

The portfolio of services we provide through this Studio includes:

- **Broadcasting:** We help radio and media operators to optimize their existing broadcast platform by combining cloud-based platforms and everything-as-a-service (XaaS) models.
- **Streaming Experiences** - We design, build, launch and sustain premium video experiences across every mobile device, OTT box, Smart TV, and Game Console for the best media companies in the world, driving user engagement and increasing monetization.
- **Media Supply Chain** - It's not just about apps. Media solutions are highly complex, fragmented and interdependent. Every step in the workflow is critical. Everything must seamlessly operate as part of a larger whole. We understand and provide services that support the entire media supply chain; from ingest and transcode through to content distribution and publishing, all the way to user experience and layout.
- **Quality Lab** - Using the latest technologies in Quality Engineering, including Test Automation and Load & Performance Testing, our QA process is a core part of the development lifecycle, ensuring the quality and consistency of the experience across an ever growing ecosystem of devices and platforms, and is able to handle high volume events.
- **Customer Insights & Monetization** - Combining our capabilities in Digital Marketing and Data and AI, we build modern and scalable data platforms that put the customers in the middle, tracking and aggregating all touchpoints along their journey, to better understand their needs and preferences, improving their experience, reducing churn and boosting LTV.
- **Reliability Operations Center** - By combining our expertise in Cloud Engineering, DevOps and Cybersecurity, we help our clients to accelerate and automate deployments of new features, improve time to resolution of production issues and increase the overall platform reliability and security by optimizing their platforms, cloud environments and systems through smart monitoring with a cost-effective and scalable solution that can drive significant savings in OPEX costs.

Travel and Hospitality: Building experiences that create long lasting memories

Guests expect personalized, end-to-end digital interactions.. We leverage the latest trends and technologies to help companies in the travel and hospitality industry create a frictionless customer-first approach that delivers relevant and context-appropriate experiences to their guests.

The portfolio of services we provide through this Studio includes:

- **Phygital Guest Experiences** - We merge the digital and physical worlds to create unique and frictionless experiences. We help our clients understand their guests to create the right experience. With an omnichannel data-driven approach, our phygital guest experiences offer different ways to interact with brands. Through marketing and discovery, bookings, eCommerce, and loyalty programs, and leveraging our Digital Studios, we significantly improve guest experience.
- **Employee Operations** - Through an integrated legacy system, a simplified user experience, and automation for repetitive manual processes, we help employees focus on creating new experiences and connections with their guests. With our expertise in Cultural Hacking, we also help our clients to keep their workforce engaged, recognized, and working in a fun, innovative environment.

Our Digital Studios:

Agile Delivery: Aligning stakeholders and methodologies to meet business goals.

Digital transformation programs require alignment from the strategic, tactic and support levels. Leaders are expected to steer engagement, innovation, effectiveness and commitment from their teams while achieving predictability in terms of timeframe, budget and quality. We create sustainable operations designed to scale and guarantee the lowest cost of ownership.

The portfolio of services we provide through this Studio includes:

- **Processes & Tool Hacking** - We help our clients succeed by enabling greater coordination, collaboration, and communication by implementing tools that allow end-to-end visibility.
- **Organizational Agility** - We educate, mentor and enable organizations to capitalize on the principles and competencies found in paradigms such as Agile, Systems Thinking, Lean and others.
- **Delivery Management** - We deliver high value solutions by steering teams into a continuous improvement approach to product development. We set clear and common goals to achieve outstanding results within budgets, with scalable and sustainable operations.

Blockchain: Driving decentralized solutions

We design and build tailored decentralized and resilient solutions that boost strategic business value enabling efficiency, immutability and transparency.

The portfolio of services we provide through this Studio includes:

- **Digital Tokenization** - We design solutions to leverage token economics and non-fungible tokens to empower the ownership of digital assets. Through digital tokenization, we help organizations to develop novel business models in a variety of industries, including art, music, finance, manufacturing, real estate and supply chain.
- **Smart Contracts** - We design and build fast, transparent and secure decentralized solutions that enable transactions and agreements to be carried out without the need for a central enforcement mechanism. We help our clients to scale down on intricacy and costs associated with traditional methods without compromising authenticity and credibility.
- **Decentralized Finance ("DeFi")** - We use our in-depth cross-industry knowledge to help organizations adopt DeFi-based solutions to optimize, automatize and improve the overall security of their operations. We guide our clients in the design, implementation and exploitation of distributed, transparent, fast and secure blockchain-powered financial products and services.
- **Platforms Consulting & Development** - We provide strategic consulting on how to effectively leverage blockchain for business transformation. We partner with our clients to devise and implement tailored blockchain-powered solutions for key businesses and industries.

Business Hacking: Non-traditional ways to create new business value

Digitalization and high consumer expectations are radically changing the way we interact with each other, and organizations who know how to manage these trends will be successful. Our business hacking framework is designed to make transformations tangible, measurable and in order to find new ways to optimize culture and business impact.

The portfolio of services we provide through this Studio includes:

- **Digital Business Acceleration** - We help accelerate business transformation by focusing on key strategic levels, including process, data, technology, experience, and culture.
- **Digital Business Growth** - We find new ways to strengthen and scale business while boosting the revenue of existing digital assets to maximize return on investment.
- **Digital Business Innovation** - We focus on the creation of new business models, value propositions and value monetization, exploring the limits of existing core business and revenue streams, by analyzing data and consumer behavior within the context of a sustainable transformational program.

CloudOps: Helping our customers embrace their cloud transformation journey

Our Cloud Ops Studio combines some of the leading cloud technologies, continuous integration and continuous delivery practices with our capabilities to facilitate new and more efficient ways of doing business.

Cloud and Dev Ops are independent but mutually reinforcing strategies for delivering business value. Cloud and Dev Ops evolved in response to three fundamental transformations. First, we are transitioning from a product economy to a service economy. Second, the business environment demands that companies shift their focus from stability and efficiency to agility and innovation. They need to increase delivery frequency and continue their service evolution. Third, the digital dimension is filling the physical dimension.

The portfolio of services we provide through our CloudOps Studio includes:

- **Cloud Transformation Advice** - By leveraging our Enterprise Cloud Transformation framework we can help our customers develop a roadmap that factors in the following key pillars of a successful journey to cloud: business, people, process and technology.
- **Building Cloud Environments** - Our Enterprise Cloud Transformation Framework helps our customers leverage proven best practices and a deep pool of real-life experiences to tailor their cloud presence to particular business challenges. We enable business owners to observe the flow of value delivery in near real time. This provides a better understanding of the technical side of the product cycle and improves time to market, which causes incremental improvements in product delivery cycles.
- **Moving Workloads to the Cloud** - Our Enterprise Cloud Transformation Framework includes a variety of strategies to move applications to the cloud.
- **Cloud Support & Operation** - Our services have been designed to operate cloud infrastructure through a skill-flexible, cost-effective offering that can cover a variety of practices with an elastic pricing model. Our 24x7-capable support services leverage the skilled support model to resolve incidents and complete requests faster than the traditional multi-tier support approach.
- **Chaos Engineering** - Chaos Engineering is responsible for implementing state-of-the-art techniques and practices to create, build and assure what we call a "lility-pattern" (scalability, reliability, availability, quality) for our customer's products, applications and services. We use Chaos Engineering tools to design and execute use cases that test and identify bottlenecks in our customer's cloud environment. Our approach focuses on helping companies predict issues rather than fixing incidents from network and application outages. We combine cloud testing with specific application testing techniques to ensure broader coverage.
- **Site Reliability Engineering** - We provide guidelines to prepare the appropriate infrastructure, observe and analyze performance and execute countermeasures for risks.

Conversational Interfaces: Engage in human & frictionless ways

Language and voice are some of the most powerful tools we've evolved for communication. We believe customers want to engage with companies in a more human way and our accelerators can make it possible.

The portfolio of services we provide through this Studio includes:

- **Assistants & Channels** - Whether a company wants to have presence in Alexa, WhatsApp or Slack, our platform has connectors for all of them, and can setup, enable or disable them as needed.
- **Conversation Engine** - Our platform has built-in features to accelerate a company's assistant capabilities. We have components for onboarding, corporate login, connecting to Salesforce or even completing business domains as virtual wallets.
- **Natural Language Processing** - Companies are often deciding between Rasa or DialogFlow for processing natural language. We can help you make up your mind or even switch between them seamlessly if you decide to do so.
- **Conversational Transformation** - A company's business needs to be part of the conversational revolution, as their customers want to engage their digital channels in a more natural way. We can help fill the gap of the multidisciplinary team required to build that custom experience from the ground. We have experience designing, building and testing conversations through different channels.

Cultural Hacking: Powering cultural transformations

Our Product Acceleration Studio utilizes modern product management techniques to ensure products solve the right problems, meet user expectations, and achieve business value.

The portfolio of services we provide through the Studio includes:

- **Organizational Design** - We assist our clients in building organizations to fulfill their mission statements. We assign people to each area, create a people-centric mentality, design skill requirements, and build a change management plan that keeps businesses running while creating a new model.
- **Leadership Mindset & Organizational Upskilling** - We empower leaders and employees to reach their full potential through training, mentorship and coaching, along with other techniques to create the right mindset to manage changes and evolutions.
- **Cultural Strategy** - We define a cultural strategy that empowers people and accelerates business results. We discover and create a comprehensive roadmap to successfully deliver every stage of a transformation plan including a holistic view of business, data, processes, experiences and talent journey. We co-create the key aspects of our customers' culture including the purpose, values and competencies of the organization.
- **Talent Journeys** - We craft amazing experiences to lead people to organizations where there is great coherence between strategic goals, values, communication, competences, and the talent experience. We define specific journeys including onboarding, recruiting, staffing, innovation, diversity, leadership, and learning. We generate a direct impact on companies' employer branding.
- **Change Management** - We ensure the success and adoption of new technologies and business changes by actively focusing on managing change and creating bridges between the old and the new.

Cybersecurity: Building secure digital experiences

We help businesses create safe and secure products from conceptualization to execution. We help organizations create secure digital experiences by improving the maturity of software development processes. We have built proprietary security tools to enable businesses to gain better visibility into security risks and quickly take action when needed.

The portfolio of services we provide through this Studio includes:

- **Building Secure Products** - We believe that security has to be involved in all stages of the software development lifecycle. Key to our approach is helping our clients move away from traditional cyber risk management to quantitative risk analysis. We help organizations build secure software using industry recognized best practices; design secure applications from the beginning, by integrating security into the architecture and infrastructure design; and reduce software development costs with security by design. This result in fewer defects, vulnerabilities and code fixes during production.
- **Cybersecurity at Cloud Speed** - The challenge posed by the new paradigm, cybersecurity as a code, forces us to re-evaluate traditional cybersecurity approaches. It requires the continuous delivery of security, adding value at every stage. We enable businesses to adapt to this new world with expertise in DevSecOps.
- **Cybersecurity Operation Support** - Effective Cybersecurity Operations means implementing proactive controls, and constantly monitoring infrastructure and security configurations. Businesses need to detect, prevent and mitigate possible attacks.

Data & AI: Turning data into insights

Using Design Thinking methodologies, we partner with companies' internal teams to discover, define, and build the best data products and data strategies to meet their business needs. Utilizing agile methodologies, we evolve products and designs from early definitions to get them live in production, ensuring that business stakeholders are involved and aligned to the final product.

Our expertise allows us to create a wide variety of end to end solutions for industries including finance, travel, media & entertainment, retail, health, among others. We universalize data and foster organizational changes towards a data-driven culture.

Our team combines data, business processes, and state-of-the-art tools and algorithms to enable businesses to engage in a deeper, interactive and more meaningful conversation with their data, empowering our clients with competitive advantage by unlocking true value and creating meaningful, actionable and timely business insights.

The portfolio of services we provide through this Studio includes:

- **Data Strategy** - We believe data can be a side effect of a company's operations or a pivotal element in its business strategy. Data strategy is about how a company captures, analyzes, maintains and processes data in order to augment its business value. We believe in a focus on technology and design choices to build value in a scalable, reliable and reproducible way, and the tools set in place to improve the way personnel can make and act on their decisions. With our extensive experience and top notch technical expertise and business acumen, we guide our clients in empowering their business models through data, consult on technological decisions, and on the processes and change management to make them effective.
- **Insights** - We believe collecting and accessing the right data is important, but the greatest value comes from analyzing and interpreting the data, to better understand the situation, generate new insights and decide on actionable outcomes. This requires a data-savviness for which most businesses lack bandwidth, coupled with business knowledge of their strengths. We partner with our clients to extract the best information from their data and assist them in their operations and strategy side by side and day to day.
- **Data as a Product ("Daap")** - Companies understand that data is one of their most valuable assets. That is why we work together to co-create data products and maximize value from them. Our expertise in different business verticals allows us to execute projects following best practices and quality standards. With the premise to generate internal and external value through data, we help our clients create a variety of solutions with different focuses such as improving customer experience, optimizing costs, generating revenue, and obtaining data insights, among others.
- **Data Platforms** - Exploiting valuable and relevant data is of paramount importance to the success of modern organizations, from harnessing insights up to generating revenue streams from novel data products. Data platforms have emerged as the cornerstone solution that enables organizations to efficiently exploit and benefit from data in a cost-efficient, scalable and secure manner. We partner with our clients to design and build data platforms as integrated technology solutions that enclose the elements required to support the entire data lifecycle, from data governance to AI and machine learning models.
- **MLOps** - In our experience, companies have embraced the concept of DevOps in the last couple of years which has enabled them to make software reach scale at higher levels. Data products such as data visualizations or AI models also need a similar set of practices that help the organization manage their availability in a similar fashion. Our experience on software engineering combined with our deep knowledge of data & AI has allows us to develop MLOps practices that enable organizations to manage these products at scale. MLOps means transitioning from POCs into full scale enterprise data solutions.

Design: Designing relevant experiences

Our UX Design Studio focuses on delivering quality, design, strategy, and production to address worldwide digital challenges. Our designs are based on observations of consumer behavior and market trends. Our goal is to create concrete and relevant solutions that appeal to both users and businesses.

The portfolio of services we provide through this Studio includes:

- **User Experience** - By identifying verbal and non-verbal stumbling blocks, we refine and iterate to create an exceptional user experience. From user research and usability analysis to interactive design, we enhance interactions, information architecture, usability and persuasion. We help our clients inspire their communities, foster adoption and drive conversion results.
- **Visual Design** - We utilize an insightful and conceptual approach to create and execute designs. We develop visual elements of an interface and implement a brand personality into the interaction design. We establish relationships with the users by creating emotional interfaces and brands based on deep analyses of end-users and market trends. In much the same way that a piece of art appeals to the human eye, we strive to visually and emotionally engage users.
- **Service Design** - Service design involves the activity of mapping, prototyping and planning cutting-edge product-service systems and how the actors should interact to bring those omnirelevant experiences to market. From strategic and operations management to business design, we apply a holistic approach to understand, create and orchestrate strategic scenarios, working in collaboration with multidisciplinary teams. Our service designers co-design with clients and customers translating research insights into actionable plans and viable opportunities for growth.

This studio aims to empower financial institutions to adopt innovative digital lending practices and enhance the experience for banks, specialized lenders and consumers.

The portfolio of services we provide through this Studio includes:

- **Smart underwriting** - Risk underwriting is the first step to ensuring an exceptional user experience within the digital lending process. We leverage the latest technologies, such as interrelationship maps, digital footprint and PSD2, to incorporate new sources of information that allow us to better understand customers and non-customers. Combining all sources of information with the use of advanced analytics, we offer a customized product and smart experience for each customer.
- **Monitoring** - A key to successful risk management is proactive monitoring integrated into daily risk analysis, which is able to anticipate default events. We help our clients anticipate and effectively manage default events months in advance. Risk is not static, so having the latest information, together with the use of advanced data management techniques, allows for a more efficient and optimal process at customer or portfolio level through digital integration, providing greater autonomy in management.
- **Digital collections** - Our Digital Collections models are based on three main elements: prioritization of the Customer Experience, optimization of the value of the portfolio, and integration of a superior technological and operational model.

Digital Sales: Increasing digital sales through new marketing, data and technology.

Our Digital Sales Studio aims to solve key business problems and boost results by disrupting traditional sales and marketing processes through our end-to-end model with customer data and lead management technology.

The portfolio of services we provide through this Studio includes:

- **Media & Traffic Acquisition** - Working alongside our Digital Marketing and Design Studios, we blend physical and digital experiences to engage with clients and prospects. We use zero and first-party data to understand online and offline behavior, and to target the right audience. We use advanced segmentation engines to personalize every interaction, and also develop unique media strategies that blend traditional and non-traditional channels to be relevant at every interaction.
- **Advanced Lead Management** - We leverage Lead Qualification and Conversion Rate Optimization initiatives by using AI and personalization engines with a clear performance-oriented focus. Our Advanced Lead Generation practice will help companies reach their desired engagement levels with relevant, dynamic, and personalized content as companies drive prospects towards acquiring their products and services.
- **Lead to Sales** - Through our advanced attribution models and use of the latest technology, we can increase company success rates by both integrating relevant data points (contact center, owned media, offline data, among others) and obtaining a unified view of the customer journey that is mapped with a sales funnel. Visualizing and using that information can help to build and adjust company strategies and turn qualified leads into sales.
- **Customer Development** - By using innovative channels and assets, we deliver unique experiences to customers, achieving higher lifetime values. We collect and process relevant data to understand customer behavior that enables us to deliver more efficient marketing strategies.
- **Data, Martech & Adtech** - MarTech and AdTech capabilities are the pillars of the digital sales transformations. We prepare marketers to collect, manage and activate data properly through connected architectures, which creates more relevant and identity-based experiences. To deliver the best results and manage user consent and privacy properly, we use a sustainable approach that ensures data quality, tech expertise, agile implementations and collaborative operations.
- **Operational Success** - We create collaborative operating and governance models to enable our clients to conveniently orchestrate internal and external stakeholders.

Our Digital Experience Platforms Studio focuses on crafting contextualized cross-channel experiences across customer digital journeys. There are done through seamless, personalized and scalable solutions.

In the cognitive era, we believe that disruptive thinking in the search for new roads to gain consumers and the support of adaptive technologies are key to success. Within our Digital Experience Platforms studio, we help companies to find smart new ways to engage their consumers through innovative omnichannel delivery to bring their services and products to unknown spaces to them.

The portfolio of services we provide through the Studio includes:

- **Augmented CMS** - We help create omnichannel experiences. We do this by delivering an integrated cross-channel content strategy that enables a business to manage multiple channels and customer interactions, with the result of a unified experience for the customer. Through predictive personalization we deliver relevant and ubiquitous content to each consumer.
- **Augmented Commerce** - Through design-led thinking we discover consumers' ideal touch points and recommend digital channels to reach consumers while leveraging Augmented reality, voice-user interface, unmanned kiosks, rewards and gamification.
- **ePayments** - We understand the technology that companies need, including tokenization and biometrics, and have a deep understanding of the different regulatory environments for ePayments. We also recognize the challenges including the lack of standardization, consumers lacking in familiarity, and cybersecurity. We can quickly implement new digital methods, such as contactless payments and digital wallets.
- **Educational technology** - We embrace technology to make learning more engaging. We are ready to create engaging online learning products that we believe inspire us all to continue to learn and develop new skills. We provide dedicated services for educational organizations in need of digital learning solutions, as well as for businesses looking to transform how they train their employees.

Digital Marketing: Making brands more engaging

The Digital Marketing Studio combines a data-driven approach with forward-thinking creativity to detect and solve organizations' most pressing, deep-rooted digital marketing challenges, working cross-functionally and leveraging technology to design, create and execute high-impact, innovative strategies that exceed business' goals.

The portfolio of services we provide through this Studio includes:

- **Marketing Strategy** - We develop digital marketing strategies focused on business needs, shifting from product-centric to customer-centric. We help introduce a digital marketing strategy, create a brand position, and re-define our customers' go-to-market strategy
- **Marketing Analytics** - We believe that being data-driven is imperative for making business decisions in the digital transformation era. We use relevant data to answer business questions, discover and enhance relationships, predict unknown outcomes, and automate decisions.
- **Content** - We create and implement content strategies based on a brand's business goals, challenges, and audiences. We believe in content as a way to develop awareness and authority for a brand. We provide content strategy, creation, publishing, moderation, and optimization services.
- **Social Media** - The best way to be customer-centric is to create direct conversations with customers and prospects, engaging with them where they are, and deliver relevant, compelling messaging. We provide social media strategy, community management, and social media listening services.
- **Search Engine Optimization and App Store Optimization** - Our focus is to promote brand and domain authority, and attract more qualified traffic. We accomplish this via search engine optimization, as well as app store optimization strategies and services.
- **Marketing Intelligence** - We use and interpret data to detect marketing opportunities and trends relevant to drive business goals forward. We deliver dashboards, reports and actionable insights analysis.
- **Digital Advertising** - We craft campaigns that leverage relevant data while staying cost-conscious. Our services include SEM, social and display ads, monetization, programmatic advertising, and direct selling.
- **Marketing Automation** - We deploy marketing automation technologies to be customer-centric and deliver personalized communications and have experience with all major automation tools. We can help our customers measure the ROI of their marketing efforts, nurture and score leads, automate tasks and workflows, and more.

Enterprise Applications: Transform, Innovate and Optimize the full value chain

We leverage Enterprise Applications with AI and digital technologies. Further, we enabled transformation through our Augmented Process Transformation and Enterprise Architecture continuous enhancement ML/Data Science platforms and Services.

The portfolio of services we provide through this Studio includes:

- **SAP** - S/4HANA & SCP are tools to conducting business in an innovative way. Through our frameworks we enable our clients to take maximized benefits of the SAP ecosystem.
- **Oracle** - We help our clients find and execute the best journey to leverage their Oracle Applications on the cloud and evolve or extend their business processes with Oracle Cloud Applications.
- **ServiceNow** - With ServiceNow platforms and solution, we help clients transform their IT processes (including ITSM, IT Governance, IT Business and Operation Management), provide innovative customer experiences (including Service and Case Management), empower their employee experiences along the full process, integrate all of their Enterprise Applications workflows and manage their GRC cycles.
- **DSI** - With our DSI services, we can manage inventories on the cloud, providing visibility for all business partners along the supply chain, improve warehousing operations, managing remote, in-transit and satellite stock locations, improve customer satisfaction with timely and accurate deliveries, and provide mobile/cloud data collection for all of the company's needs. As a strategic DSI partner, Globant is part of the product evolution and development team, with broad experience in complex logistics environments we provide logistic process and technical expertise for agile deployments.

Internet of Things: Connecting the physical world

Our Internet of Things Studio offers technology solutions for the current device ecosystem and additional applications for the Internet of things.

We help our customers develop their new product ideas and gather information about behavior, activities and sensor-collected data, and then process all the information to develop new services.

The portfolio of services we provide through this Studio includes:

- **Edge Development** - We integrate and enable hardware platforms to enhance the capabilities of devices. We specialize in providing end-to-end solutions with a focus on edge design.
- **IoT platforms** - With our platforms, we can develop device management strategies, update campaigns, data storage, data visualization, applications, services integration, data analytics and digital twin-based applications.
- **Research and development** - Our ideation funnel inputs client business needs, metrics, and use cases together with our flexibility to power ideation. With the aid of product development and user experience teams, this materializes into a device integrated with its services.

Metaverse: We open portals into the metaverse

The Metaverse Studio focuses on opening portals to digital spaces for our customers by providing a pipeline for digital twin generation and enhanced content production systems, resulting in a presence in the different virtual online worlds. We help companies create and operate their new virtual spaces where they can extend their brand presence and product offering, which maximizes engagement with their clients and employees while reinventing their business verticals.

The portfolio of services we provide through our Metaverse Studio includes:

- **Projection to the Metaverse** - Our Strategic Consulting program is aimed at exploring business needs, fit of different existing metaverses, limitations, implementation and operation costs involved, and includes a custom creation program plan for particular scenarios. We help brands to explore the different storytelling options available to digitize their culture and services and define the proper steps for implementation with the proper art style and visualization support.
- **Virtual Worlds & Digital Twins** - We help the top centralized and decentralized metaverses gateway and systems providers all over the world by supporting their product, engineering, infrastructure, art, and quality assurance needs

across different platforms and regions. We co-create simulations, synthetic environments, and Industry 4.0 Software solutions that support our client implementations and visions of the Metaverse.

- **Virtual Productions** - We create the most compelling content production assets that supports different campaigns and uses across various industries. We are experts in art production pipeline and real time productions using game engines. We design and implement product showcases and virtual venues, and provide event support and immersive training development.

Process Optimization: Efficiency driven by technology

Our Process Optimization Studio delivers solutions to our clients so they can be more efficient, innovative and agile.

Companies strive to enhance their efficiency as they grow and their competition increases. Our goal is to provide solutions that improve productivity, create competitive advantages, foster innovation and provide agility. We work to establish quick wins that are refined using an iterative approach to deliver more value on each cycle while optimizing throughput.

The portfolio of services we provide through our Process Automation Studio includes:

- **Intelligent Automation** - Intelligent Automation reduces tedious work for our clients' employees and concurrently boosts productivity. Smart bots interact with the various IT systems of a company and mimic the work of a typical person. We work with businesses to use these tools, methodologies, and technologies to both automate standard processes, but also drive fundamental business change.
- **Process Mining** - Process Mining combines process management and data science to provide a fact-based view of how processes are executed in production. Based on transactional information from their source systems, companies can discover, monitor, and enhance their business processes.

Product: Delivering best-in-class digital products

Our Product Studio utilizes modern product management techniques to ensure products solve the right problems, meet user expectations, and achieve business value.

The portfolio of services we provide through this Studio includes:

- **Product Strategy** - We focus on market research, business model definition to help companies identify customer acquisition strategies and products in order to close the gap between corporate strategy and identified problems. Product Managers help companies discover core user problems, define effective solutions, implement product development practices, establish product organizations, evolve product governance, and define go-to-market strategies.
- **Product Management and Delivery** - Fully engaged product owners who are able to collaborate with stakeholders, customers, and development teams to set vision, experience, and outcome objectives. Through iterative wins, we develop continuously focused product solutions that are driven by priority value.

Quality Engineering: Enabling quality everywhere

The success of our clients' businesses is directly tied to the quality of complex and highly integrated software. Our clients' software drives opportunities, but it also exposes them to new risks. We believe that only a high quality product has a chance of succeeding in today's market.

Our Quality Engineering Studio focuses on reducing our clients' business risks. We provide a comprehensive suite of innovative and robust testing services that ensure high-quality products to meet the needs of demanding, technology-avid users. Cutting edge quality strategies increase test efficiency, decrease time to market and reduce the risks inherent in producing challenging digital journeys.

Our "round the clock" approach leverages the close-knit nature of quality assurance across geographies and time-zones to achieve continuous testing. This approach aligns with build schedules to utilize our onshore, nearshore and offshore teams to their maximum potential.

The portfolio of services we provide through this Studio includes:

- **Agile Testing** - Although many organizations have adopted Agile methodologies to build quality into their practices, testing remains a challenge for teams. With our expertise in Agile testing, we help organizations adapt their testing approaches and tools, as well as their traditional roles and responsibilities to these new practices.
- **Automation Testing** - We have deep expertise in offering test automation services and developing test automation solutions and frameworks. Test automation is a key testing practice to increase test efficiency, reduce time to market, and be less prone to the human error inherent in manual testing.
- **Load and Performance Testing** - We help organizations create a 360 degree performance test plan. Our services cover the spectrum from the backend and database, to mobile app and frontend performance testing. We are experts in application performance monitoring. We identify in real-time the user experience, resource consumption, and map transactions and applications to infrastructure components.
- **AI Testing** - We use AI-based tools to improve, enhance and enable testing strategies. We also use testing strategies to evaluate and improve the performance of AI-systems. With machine learning we improve the performance of test automation frameworks. Our AI testing services include functional, differential, and UX/UI testing. For organizations implementing and using machine learning models, we can define and implement customized testing strategies to assess and validate different machine learning models.
- **Game Testing** - Our team of gaming professionals have deep experience in launching AAA games to market. Our work ranges from the upfront design to testing, to market launch and continuous development. We bring together expertise in game development and testing, and our services span the spectrum of different gaming platforms. We offer dedicated gaming frontend and backend quality engineering services, ranging from functional and performance testing to GUI, security, and API testing.
- **Mobile Testing** - Testing mobile applications, whether hybrid or native, requires thoughtful planning to guarantee adequate coverage across different devices and platforms. We offer compatibility testing, responsive design testing, test automation, and acceptance testing, among other practices. We have experience scaling mobile testing and providing comprehensive testing strategies for some of the world's largest companies.
- **Data Testing** - One of the main challenges facing businesses today is how to make sense of all the data they collect. To do this, they need consistent, quality data. Our QE experts work alongside data scientists to help our clients build testing strategies to ensure high quality data. Our data quality services include evaluating different data levels, ensuring data consistency, and checking business rules.
- **Accessibility Testing** - Today's digital solutions need to provide equal access and opportunity to people with disabilities by complying with accessibility standards. We help our customers to improve the quality of their digital products by identifying the barriers that prevent interactions and hinder accessibility. We help organizations adhere to standards such as the Web Content Accessibility Guidelines 2.0 (WCAG).
- **Media and OTT Testing** - We have a team of specialized media over-the-top (OTT) testing engineers. We assess media OTT applications against market trends, expected quality levels, user experience, and store certification validations. We offer predefined test scenarios that can be customized to a company's needs.
- **Conversational Interfaces Testing** - Text-based (chatbots) and voice-based (voice assistants) conversational interfaces can deliver powerful experiences but mimicking human interactions is highly challenging. It's not enough for conversational systems to just understand a customer. Our team can help ensure you also deliver an enjoyable and friendly experience. Our team brings together expertise in several disciplines, including voice UI design, interaction, visual, motion and audio design, and UX writing.

Salesforce: Enabling customer centricity through Salesforce

Globant's Salesforce Studio provides a link between Salesforce Customer 360 Platform and our client's employees, business partners, and customers' needs, providing a set of digital solutions and a roadmap to stay ahead of business disruptions.

The portfolio of services we provide through this Studio includes:

- **Sales and Customer service** - Using the Salesforce Customer 360 Platform, we help transform sales and services processes, fueling them with predictive analytics, insights, and actionable recommendations. With Sales Cloud, we help grow sales productivity and transformation, from contact and lead management to opportunity and partner relationship management.
- **Digital Marketing** - Successful marketing strategies require improved customer segmentation and highly personalized campaigns. We help companies to get to know, identify and communicate with each customer, recognizing them as an individual with their own needs.
- **Application and Data Integration** - We help our customers migrate and connect to the cloud or on-premise while maintaining high security standards.
- **Analytics** - Using Table CRM (formerly Einstein Analytics) and Tableau, we offer a broad spectrum of analytics and AI services that allow our customers to transform their sales and service processes, as well as their marketing and e-commerce practices.
- **Customer Data Management** - We offer the design, implementation and operation of a DataOps schema according to the needs and maturity of our customers, to manage their data in the most optimal way.
- **E- Commerce** - We deliver a complete commerce experience for our customers' B2C or B2B clients. Going beyond a front-end application, we combine our knowledge of the entire value chain to deliver an end-to-end process including marketing, customer service, business intelligence and more.
- **Salesforce Industries** - With embedded industry-specific functionality, and best practices, organizations transform their business processes, solve industry-specific challenges, improve their products' life cycle, and create unique digital and omnichannel experiences. Our services span the spectrum from planning to implementation, to continuous support and optimization.

Scalable Platforms: Supporting reliable products

Scalable Platforms have become extremely important in today's digitally connected environment. We provide the architectural base to accelerate omni-channel strategies, improve internal processes and build consistent cross-channel customer experiences to support reliable products.

To enable digital products through a robust architecture, we apply our best practices and patterns on the design of a back-end ecosystem, which allows our clients to accelerate their businesses in an agile way. We have broad experience providing back-end solutions that support scalability, security, availability, performance, quality and high adaptability to internal and external integrations. We focus on complex architecture modeling, microservices and API management strategies to accelerate the digital transformation by providing capabilities that businesses need in order to bring systems together, secure integrations, deliver improved customer experiences and capitalize on new opportunities.

The portfolio of services we provide through this Studio includes:

- **Strategic Architecture Consulting** - In a world where companies are looking to grow and gain distinctive competitive advantages through technical innovation, strategic alignment between business and technology has become critical. Identifying gaps between business and technology strategies, understanding a company's IT stack maturity level, deciding between build vs buy and defining a technology roadmap that makes sense to its organization are just a few of the complexities. We help companies to manage these intricacies with an agile view. We apply our wide experience to working with best practices, methodologies and cutting-edge techniques.
- **Platforms Evolution** - Solutions that are not properly maintained and evolved can become more complex over time, due to, among others, short-term fixes, increased technical debt, lack of proper testing coverage and inadequate CI/CD strategy. Changes and releases can become more complex and riskier where development teams struggle to understand the potential impacts & side effects of the changes they are implementing. As a result solutions may be unable to meet the business' targeted time-to-market, and it's not possible to leverage new technologies nor seize optimization opportunities. We focus on helping companies evolve and run their applications efficiently by pairing them with teams that are specialized in evolving and maintaining existing ecosystems.
- **Augmented Composable Solutions** - Augmented Composable Solutions can adapt and rearrange their capabilities based on changes to an organization's business needs. The pace of change is ever increasing which will continue to accelerate the rate of digital transformation. APIs backed by evolutionary architectures, like microservices deployed into cloud native environments, enable adaptability, fast scalability, time-to-market and better access to information. Increasing organizational capacity to generate insights and augment information through AI can decrease response time to market demands and reduce inefficiencies.

Smart venues: bridging the digital and physical worlds.

Through digitalization, we bring physical and digital spaces together, enabling customers to create experiences that are far more engaging. Creating these new interactions provides exceptional tools for companies to better understand end customers. This enables the identification of new and unprecedented ways to generate revenue.

The portfolio of services we provide through this Studio includes:

- **Digital into physical:** We help our clients extend digital experiences into their physical spaces by seamlessly blending next generation technologies into physical touchpoints which create memorable, long lasting experiences, reduce friction, and maximize customer excitement.
- **Physical into digital:** From safety to operability, we help our clients understand their venues and provide live data streams that enable them to operate their venues more securely and efficiently. With actionable insights into what is happening in their spaces, we enable data-driven decision making in real time.

UI Engineering: Building Digital products

We specialize in building the next generation of User Interface ("UI") digital products leveraging the latest technologies and architectures, multi-device techniques, big-scale applications, component based systems, intelligent user interfaces and the latest trends in user experience.

By providing a set of UI practices and technologies, we create engaging products through interactive interfaces across multiple channels and devices, independent of platforms, that deliver the same experience in a frictionless way. Those interfaces are aware of users, from context to context and device to device. They act proactively to make the experience simpler, leaner and faster, and suggest new behaviors based on interactions. We deliver leading digital products for users, making use of tools, frameworks and components, and providing a single architecture and codebase with the right functionality in any platform.

The portfolio of services we provide through this Studio includes:

- **Frontend Experiences** - Where a company lacks experience building websites and applications, or has numerous products but is experiencing issues in its development, or needs guidance to follow different kinds of standards and policies, we can help such company improve its maturity and capabilities.
- **Accessibility** - Designing and developing for accessibility helps all consumers. We develop our apps across all form factors with accessibility as a priority, ensuring that information is easily available to each and every customer of a company's product. We do this by including accessibility into the whole product life-cycle. From inception, design and specification throughout development and delivery, we have the knowledge required and expertise to build accessibility compliant applications according to different policies and regulations, such as the Americans with Disabilities Act (ADA) in the United States.
- **Web Solutions** - In a world where web applications deal with more data and users every day, we help companies build scalable web solutions to support the growth of their businesses, and create digital products and seamless experiences.
- **Native & Hybrid Applications** - We believe apps are a critical component of mobile phones. Being present in mobile stores allows businesses to expand their audience, along with becoming part of their customers' daily lives. We allow companies to choose the option that best suits their needs.
- **Cross Compiled** - What users demand about technology is changing and the need to provide the right experience is becoming more complex. We provide the right solutions to create a frictionless experience for any kind of device while sharing the same codebase.
- **Enhanced Experiences** - In order to create the best possible frontend experience we take the most relevant technical features to deliver rich and emotional moments. We use everything from augmented reality, biometric sign-in, force touch, Apple/Google Pay, animations, Core Graphics, geofencing services, rich notifications, to any specific technology required to build a custom experience. We extend this platform to different interfaces to ensure the same experience across the ecosystem, regardless of the device type.

For many companies, sustainability has been a harm avoidance practice. But we believe that climate change is fundamentally impacting people and organizations, putting at risk their legitimacy within public, private and civil society. This calls for a new approach.

To be prepared and maintain relevance in a new green economy, we believe companies need different rules, processes and expertise. We provide organizations and stakeholders with the tools and the know-how to build their climate roadmap in favor of just transitions and climate actions. The 2030 Agenda for Sustainable Development is a resolution adopted by the U.N. General Assembly in 2015 focused on advancing economic, social and environmental development. We support organizations that embrace a problem-solving approach based on the 2030 Agenda to achieve responsible business.

The portfolio of services we provide through this Studio includes:

- **E-missions** - We support businesses analyzing and then implementing solutions to reduce their emissions. Within our e-missions services, we offer technical expertise and digital tools to manage and reduce energy, carbon and resource footprints on a path to certifying carbon neutrality. In addition, we work to create fundamental organizational-wide changes, with technology at the core, to support enterprises and value-chains in their sustainable and zero-carbon transitions.
- **Sustainability today** - We foster cultural transformation and maturity through collaborative practices that honor sustainability, diversity, and inclusion. We provide targeted consulting and training for senior executives to explore how to drive their businesses forward in the new green economy. We share the business rationale that every organization in the world needs to understand and adapt to climate change. We provide organizational-wide training programs to promote the essential cultural change that needs to occur for businesses to achieve long-term success.
- **Up with climate** - We offer an analysis of climate material risks and opportunities. We diagnose and produce reports on environmental, social, and corporate governance (ESG), and climate due diligence.

2. Globant X

Globant X is an incubator for innovation to productize Globant's most transformative technology into platforms.

Globant X utilizes the following platforms:

- **Augmented Coding** - Our patented AI-powered tool utilizes strategic software development features that deliver key benefits, such as simplifying code processes, increasing team efficiency, and enhancing team collaboration. Its Code Autocompletion feature uses deep learning to anticipate code, suggesting intelligent code completions, and allowing programmers to work faster and with fewer errors.
- **Augmented Testing** - Augmented Testing is a product that leverages the power of AI to improve and simplify quality assurance in complex visual testing scenarios. This tool helps businesses meet customers' expectations with an enhanced visual experience while improving quality, lowering costs, and reducing time-to-market.
- **StarMeUp** - StarMeUp is a behavioral-science-based, AI-enhanced platform that helps companies optimize their culture and create a sense of meaning and belonging at work to decrease attrition and increase employee productivity.
- **PagoChat** - PagoChat is a Wallet-as-a-Service application that enables companies to process payments and, collections and open virtual accounts on WhatsApp or on other compatible applications. PagoChat operates in a direct-to-consumer model and in a cost efficient way, while meeting all the security standards to avoid fraud.
- **ShopChat** - ShopChat is an intelligent personal shopper, integrated with VTEX, that creates a natural and intuitive digital shopping experience on WhatsApp, bringing brands and their customers closer while increasing engagement and revenue.
- **Walmeric** - Walmeric specializes in developing marketing automation technology, combining lead management, online marketing and sales enablement.

3. Global autonomous culture:

We have developed a software product design and development model, known as Agile Pods. It is designed to better align business and technology teams. Driven by a culture of self-regulated teamwork and collaboration across skills, partners and country borders.

Leveraged across divisions, Agile Pods are dedicated to mature emerging technologies and market trends, and provide a constant influx of mature talent and solutions that create intellectual property for our clients. They are self-organized teams that work to meet creative and production goals, make technology decisions and reduce risk. These teams are fully responsible for creating solutions, building and sustaining features, products or platforms. Agile Pods are in constant contact with our clients and are in full control of the products we create, which augments their autonomy and ultimately propels productivity. We manage this by having the Agile Pods at the forefront of our inverted organizational chart, existing with a customer-centric and autonomous culture.

In addition, savings are delivered to clients due to sustained productivity boosts as the Agile Pods begin to operate at a higher maturity level. We ensure consistency, accountability and replicability by having Agile Pods follow a well-defined set of maturity criteria. Maturity models describe levels of growth and development as follows: Maturity, Quality, Velocity, and Autonomy. Each level acts as a foundation for the next and lays out a path for learning and growth. As Agile Pods evolve from one level to the next, they are equipped with the understanding and tools to accomplish goals more effectively.

Associated metrics guide improvement efforts and generate quantitative and qualitative insights to inform iterative design and planning decisions.

Our Delivery Model

Our cultural affinity with our clients enables increased interaction that creates close client relationships, increased responsiveness and more efficient delivery of our solutions. As we grow and expand our organization, we will continue diversifying our footprint by expanding into additional locations globally.

We believe our presence in many countries creates a key competitive advantage by allowing us to benefit from the abundance of high-quality talent in the region, cultural similarities and geographic proximity to our clients.

About our Be Kind initiative

We strive to make the world a better place by transforming organizations and people's lives. Our Be Kind initiative is a critical component of that mission, and its tenets are deeply ingrained in Globant's culture. In support of this initiative, we leverage our innovative approach to transforming organizations, strong performance, global talent, and unique culture. Our Be Kind initiative focus on four main components:

1. Be kind to yourself

We believe that maintaining a healthy work environment helps our Globers reach their full potential and enhances the success of our organization. Recognizing the importance of work-life balance, and physical and emotional health, we offer a comprehensive package of benefits to our Globers.

2. Be kind to peers

Diversity, equity and inclusion ("DEI") are foundational components of our business. We believe that these concepts improve our work environment and foster innovation. In support of DEI, we focus on the following four areas:

Some of the initiatives we are working on are:

- **Be kind gender commitment:** To improve gender equality in the technology industry, we aim to have at least 50% women and non-binary individuals in management positions by 2025.
- **Equal-employment opportunities:** Globant strongly supports equal employment opportunities for all applicants regardless of race, color, religion, sex, gender identity, pregnancy, national origin, ancestry, citizenship, age, marital status, physical or mental disability, sexual orientation, genetic information, or any other characteristic.
- **Inclusive training:** We developed a learning program that emphasizes gender equality, cultural diversity and inclusion. This program is designed to make Globant a great work environment for all employees.
- **Women That Build:** We are constantly seeking opportunities to empower women in the IT industry and in leadership positions. We support these efforts with our Women That Build campaign. This includes a series of internal and external initiatives that promote the inclusion and professional growth of women in our industry.
- **Code your Future:** The technology industry currently generates millions of job opportunities, outpacing the rate at which the education system provides trained personnel and, consequently, a significant worldwide training gap. At Globant, we aim to reduce this training gap through scholarship programs focused on young talent.

- **Inclusion programs:** Globant supports inclusion programs to help people in vulnerable situations by offering new opportunities. We combine several programs which include training, mentoring, inspirational workshops and scholarships to promote IT related studies. In doing so, we are promoting inclusion through education in technology, and the access to employment in a vibrant market of job opportunities.
- **UnlimITed:** We designed UnlimITed to inspire, train and promote the inclusion of people with disabilities worldwide.

3. *Be kind to humanity:*

We are living in an unprecedented time. The pandemic, climate change and societal conflicts around the globe are reshaping the way we live and think. Be kind to humanity utilizes technology designed to help address certain of these challenges.

Some of our initiatives include:

- **AI Manifesto:** While the use of AI often benefits businesses and industries, it can create new challenges and risks. Our AI Manifesto sets forth our principles with respect to the use of AI. We rely on these principles to establish parameters around the use of AI in our client engagements.
- **Green Software Foundation:** We have a responsibility to make our products more sustainable. In 2021, we joined the steering committee of the Green Software Foundation, an institution with representatives from global organizations committed to creating best practices for building sustainable software to reduce carbon emissions.
- **Be kind Tech Fund:** In 2021, we launched the Be Kind Tech Fund, a new initiative from Globant Ventures, which is designed to support organizations that combat negative societal effects created by the misuse of technology. We will invest funds from the Be Kind Tech Fund in startups with purpose-driven solutions utilizing technology for the greater good.
- **Technology for the community:** We actively promote the internal development of technology that has the potential to positively impact our communities. Globant Labs is an initiative that provides Globers with an opportunity to experiment and complete projects designed to benefit society.

4. *Be kind to the planet*

Environment sustainability is a critical component of our Be Kind initiative. In October 2021, we achieved carbon neutrality as a step toward our commitment to become a net-zero company. To raise awareness and make the carbon neutral milestone a shared achievement, we invited all of our employees to be part of the global commitment and choose among a variety of projects to support. In 2021, we signed the Science-Based Targets Business Ambition for 1.5°C commitment letter, joining the Race to Zero global movement, which is devoted to taking rigorous and immediate action on a company's business-related emissions.

We believe that disclosing our efforts in our transition to a low-carbon economy is important to provide transparency and instill confidence in our climate strategy. We reported our environmental performance in the Carbon Disclosure Project for the first time in 2021.

Finally, through our Sustainable Business Studio, we work with our clients throughout the world to offer more sustainable strategies and support in their efforts to meet emission reduction targets.

Our talent and our culture

Our culture

Our culture is the foundation that supports and facilitates our distinctive approach and advances our organization forward. It can be best described as entrepreneurial, flexible, sustainable and team-oriented, and is built on three main motivational pillars and six core values.

Our culture is built on three main motivational pillars and six core values.

Our motivational pillars are: Autonomy, Mastery and Purpose. Through Autonomy, we empower Globers to take ownership of their client projects, professional development and careers. Mastery is about constant improvement, aiming for excellence and exceeding expectations. Finally, we believe that only by sharing a common Purpose we will build a company for the long-term that breaks from the status quo, is recognized as a leader in the delivery of innovative software solutions and creates value for our stakeholders.

Our core values are:

- **Think Big** – We believe that we can build a world-class company that provides Globers with a global career path. Our work is based on constant challenges and growth.
- **Constantly Innovate** – We confront every "impossible" and seek to innovate in order to break paradigms.
- **Aim for Excellence in Your Work** – We know that problems we face now will reappear in future projects so we try to solve the obstacles that affect us today.
- **Be a Team Player** – We encourage Globers to get to know their colleagues and to support one another. Together, we are going to improve our profession, company and countries. We operate as one team whether it's solving a problem or celebrating excellent results. We also all have the right to be heard and respected.
- **Have Fun** – As Globers, we believe in finding pleasure in our daily tasks, creating a pleasant work atmosphere and building friendships among colleagues.
- **Be kind** – This value, originally named "Act Ethically" - represents our vision of doing business and conducting ourselves in an ethical manner, with integrity, and our responsibility to improve our society, transform ourselves through kindness and make the world a better place.

Our workplace embodies our culture

We have started to reimagine and design workplaces to enhance the overall work experience. We developed a new model office focused on where and how Globers want to work.

Globant's offices are being reshaped to meet a social purpose, providing flexibility and a wide range of options. We want to provide employees with the ability to work in different environments, feel comfortable in the way they work, and undergo a full workday without having to be in the same space constantly. Experiencing the office also means developing Globant's culture. We prioritize spaces where people can share, connect and exchange moments that would be difficult to experience if everyone was at home. We seek to consolidate a sense of belonging and continue to foster our core values.

Fostering employees' career growth

Globers who are eager to grow, expand their knowledge, and discover new possibilities have a vast number of opportunities available to them at Globant. We want to empower them to make their own decisions and contributions to the company and make the most out of these five professional development dimensions:

- **Technology** - Our more than 20 Studios consolidate experience in more than 100 emerging technologies and practices where Globers can learn, develop, specialize and stay relevant. We have numerous trainings and development opportunities that allow them to grow professionally.
- **Clients** - We have a portfolio of leading global brands that Globers can work with over the course of their career.
- **Industries** - We work with leading companies from different industries, such as media, health care, finance, travel, gaming and e-learning. This enables Globers to benefit from an in-depth look into many industries and gives them the opportunity to specialize in one.
- **Specialty** - Globers can transition their career, role or position. They can develop their career by gaining seniority in their current path or moving internally into other roles in different areas of expertise.
- **Geocultural diversity** - We encourage Globers to seek new opportunities and embrace cultural exchanges. Our Globers can work on projects with people from diverse cultures and have the chance to live an international experience. We have open positions and relocation opportunities in all of our offices.

Innovation

As fundamental values of our day-to-day, innovation and creativity are not managed from a specific area. Instead, these values are emphasized throughout our company.

In our view, it is critical that each and every one of our Globers be an innovator. In addition to offering a flexible and collaborative work environment, we also actively seek to build the capabilities required to sustain innovation through several ongoing processes and initiatives including: design thinking workshops (internally and with customers), Think Big Sessions (open technology talks) and Globant Labs (a space where Globers can ideate and develop their own projects).

Entrepreneurship

Globant was created as a start up. It was built by entrepreneurs and, over the years, many Globers have made a difference by creating and driving innovation. Entrepreneurship is one of our keys to success, and we encourage Globers to dream and create meaningful and rewarding experiences for our customers.

During 2018, we created Globant Ventures, which is our own accelerator for tech startups. The objective of Globant Ventures is to promote the emergence of new entrepreneurs that are involved in cutting-edge areas of technology, such as Artificial Intelligence and other emerging trends.

Availability of high-quality talent

We believe that Latin America has emerged as an attractive geographic region from which to deliver a combination of engineering, design, and innovation capabilities for enterprises seeking to leverage emerging technologies. Latin America has an abundantly skilled IT talent pool. According to the Science and Technology Indicator Network (Red de Indicadores de Ciencia y Tecnología), over 345,000 engineering and technology students have graduated annually from 2012 – 2016 from universities in Latin America and the Caribbean region. Latin America's talent pool (including Mexico, Brazil, Argentina, Colombia and Uruguay) is composed of approximately 1,000,000 professionals according to different sources, such as Stackoverflow, SmartPlanet and Nearshore Americas. This labor pool remains relatively untapped compared to other regions such as the United States, Central and Eastern Europe and China. The region's professionals possess a breadth of skills that is optimally suited for providing technology services at competitive rates. In addition, institutions of higher education in the region offer rigorous academic programs to develop professionals with technical expertise who are competitive on a global scale. Furthermore, Latin America has a significant number of individuals who speak multiple languages, including English, Spanish, Portuguese, Italian, German and French, providing a distinct advantage in delivering engineering, design and innovation services to key markets in the United States and Europe.

India offers significant graduate talent. According to the Strategic Review of The National Association of Software and Services Companies (NASSCOM), the Indian IT-BPM Industry currently employs around 4 million people. In terms of students, more than 5 million students graduate every year, and almost 15% of these graduates are considered employable by Tier 1/Tier 2 companies.

Government Support and Incentives

Argentina

In 2004, the Argentine government passed Software Promotion Law No. 25, 922 (the "Software Promotion Law") which provided benefits to software companies with operations in Argentina whose activities are the creation, design, development, production, implementation or adjustment (upgrade) of developed software systems and their associated documents. The Software Promotion Law was in force until December 31, 2019, and was thereafter replaced by the Knowledge Economy Law.

On May 22, 2019, the Argentine Congress enacted the Knowledge Economy Law No 27,506. The Knowledge Economy Law took effect as from January 1, 2020 for the legal entities adhered to the Software Promotion Law and is effective until December 31, 2029. It aims to promote economic activities that apply knowledge and digitization of information, supported by advances in science and technology, to obtain goods and services and improve processes.

Pursuant to the Knowledge Economy Law, the beneficiaries will enjoy the following benefits:

- Stability in the enjoyment of the regime benefits.
- Exemption from any value-added tax withholding or collection regimes only in the case of export operations.
- A 60% reduction in the corporate income tax rate for micro and small enterprises, (ii) a 40% reduction for medium-sized enterprises, and (iii) a 20% reduction for large enterprises, applicable on the income originated in the promoted activities.
- Allowance to deduct as cost any payment or withholding of foreign taxes if the taxed income constitutes an Argentine source of income.

- Granting a non-transferable tax credit bond of up to 70% of the paid social security contributions of every employee associated with the promoted activities. Such bonds can be used within 24 months (which can be extended for an additional 12 months with justified cause) from its issuance date to pay Income tax and Value Added Tax.
- The bond will be increased to 80% of the paid social security contributions when the newly-onboarded employees are: (a) women, (b) transsexual and transgender persons, (c) professionals with post graduate studies in engineering, exact or natural sciences, (d) individuals with disabilities, (e) individuals who reside in unfavorable areas and/or provinces with lower relative development, or (f) individuals who, before being employed, were beneficiaries of welfare programs, among other groups of interest to be added by the enforcement authority.
- Duties on export of services taxed at 0% rate from December 22, 2020.

In order to remain in the National Registry, the beneficiaries must prove every two years, that they meet certain requirements.

Our subsidiaries, Atix Labs S.R.L., Decision Support S.A., BSF S.A., IAFH Global S.A. and Sistemas Globales S.A were approved as beneficiaries of the Knowledge Economy Law by the Subsecretary of Knowledge Economy and incorporated into the National Registry on July 8, 2021, September 24, 2021, October 15, 2021, December 14, 2021, and February 8, 2022 respectively. Benefits are granted as of January 1, 2020.

Uruguay

In 1988, Law No. 15,921 created Uruguay's Free Trade Zone regime allowing any type of industrial, commercial, or service activity to be carried out in a specifically delimited areas of the Uruguayan territory and be performed outside Uruguay.

The main benefits are the following:

- Almost full tax exemption (Corporate Income Tax "IRAE", Net Wealth Tax-IP, Value Added Tax – VAT and several withholding taxes) and customs duties exemption; and
- Foreign employees may opt out of the Uruguayan social security system and, with regard to personal income tax, opt to be subject to Non-Residents Income Tax at a 12% flat rate instead of Individual Tax.

On December 8, 2017, Uruguay's Executive Power enacted Law No. 19,566, introducing changes to Law No. 15,921, The new Law allows services rendered to third countries from the Free Trade Zone to also be rendered to corporate income taxpayers inside the Uruguayan, non-Free Trade Zone territory.

Our subsidiary in Uruguay, Sistemas Globales Uruguay S.A., is situated in a Free Trade Zone and is eligible for the fiscal benefits.

India

In India, under the Special Economic Zones Act of 2005, the services provided by export-oriented companies within Special Economic Zones (each, a "SEZ") are eligible for a deduction of 100% of the profits or gains derived from the export of services for the first five years from the financial year in which the company commenced the provision of services and 50% of such profits or gains for the five years thereafter. Companies must meet the conditions under Section 10AA of Income Tax Act to be eligible for the benefit. Other tax benefits are also available for registered SEZ companies.

Some locations of our Indian subsidiary are located in a SEZ and have completed the SEZ registration process. Consequently, we started receiving the tax benefit on August 2, 2017. With the growth of our business in an SEZ, our Indian subsidiary may be required to compute its tax liability under Minimum Alternate Tax ("MAT") in future years at the current rate of approximately 21.34%, including surcharges, as its tax liability under the general tax provisions may be lower compared to the MAT liability.

Belarus

The High Technology Park ("HTP") was established in Minsk in 2005 to promote the IT industry in Belarus. The HTP is located east of Minsk and has a special legal regime in effect until 2049.

A legal entity and an individual entrepreneur receive HTP resident status if their activities include: analysis and design of information systems and software; data processing based on client or proprietary software, fundamental and applied research,

experimental R&D in the field of natural and technical sciences (R&D involving HTP activity) and utilization of R&D results, among others.

HTP residents pay 1% of their revenue to the HTP Administration and enjoy the following benefits:

- Exemption from Corporate Income tax and Value Added Tax on the sale of goods, work or services or from the transfer of property rights in Belarus.
- Exemption from land tax and real estate tax on properties that are in the HTP.
- Payments by HTP residents to foreign companies in the form of dividends, royalty and interest are subject to withholding tax at a rate of 5%.
- Dividend payments are not subject to an offshore duty.

On December 21, 2017, the President of the Republic of Belarus published Decree No. 8, which extends the duration of the HTP's tax incentives and the special legal regime until January 1, 2049.

Our subsidiary located in Belarus is a HTP resident and currently benefits from the tax holidays and will continue with exemption as long as the regime remains in effect.

Colombia

The Free Trade Zone Regime in Colombia was established by Law 1004 of 2005 and Decree 2147 of December 23, 2016. The Free Trade Zones are geographically delimited areas within the national territory, where industrial activities relating to goods and services or commercial activities are performed, and are under special regulations in tax, customs and foreign trade matters.

On February 17, 2022, Globant Colombia SAS was notified under Resolution No 231, of the authorization to operate in a Special Permanent Free Trade Zone until December 2029. At the time of this report, the company has not initiated its commercial operations.

Free Trade Zone users have the following benefits:

- corporate income tax rate of 20%, which is 15% lower than the rate applied to companies in the national territory;
- customs taxes (VAT and customs duties) are not accrued or paid on merchandise that is imported to the Free Trade Zones;
- the possibility to export to third-party countries and the national territory from a Free Trade Zone;
- foreign goods that are imported to the Free Trade Zone can remain inside such area indefinitely; and
- the purchase of goods acquired in Colombia that are necessary for the development of the Free Trade Zone user's corporate purpose, such as raw materials, supplies, parts, finished goods and construction materials, is exempt from VAT.

Methodologies and Tools

Effectively delivering the innovative software solutions that we offer requires highly evolved methodologies and tools. Since inception, we have invested significant resources into developing a proprietary suite of internal applications and tools to assist us in developing solutions for our clients and manage all aspects of our delivery process. These applications and tools are designed to promote transparency, and knowledge-sharing, enhance coordination and cooperation, reduce risks such as security breaches and cost overruns, and provide control as well as visibility across all stages of the project lifecycle, for both our clients and us. Our key methodologies and tools are described below.

Quality Management System

We have developed and implemented a quality management system in order to document our best business practices, satisfy the requirements and expectations of our clients and improve the management of our projects. We believe that continuous process improvement produces better software solutions, which enhances our clients' satisfaction and adds value to their business.

Our quality management system is certified under the requirements of the international standard ISO 9001:2015, the CMMI Maturity Level 3 process areas (which indicates that processes are well characterized and understood, and are described in company standards, procedures, tools and methods) and PMI by implementing the following practices:

- Assuring that quality objectives of the organization are fulfilled;
- Defining standard processes, assets and guidelines to be followed by our project teams from the earliest stages of the project life cycle;
- Continuously evaluating the status of processes in order to identify process improvements or define new processes if needed;
- Objectively verifying adherence of services and activities to organizational processes, standards and requirements;
- Providing support and training regarding the quality management system to all employees to achieve a culture that embraces quality standards;
- Informing related groups and individuals about tasks and results related to quality control improvement;
- Raising issues not resolvable within the project to upper management for resolution; and
- Periodically gathering and analyzing feedback from our clients regarding our services to learn when we have met expectations and where there is room for improvement.

Since 2013, Globant certified ISO 27001, a standard that provides a model for establishing, implementing, operating, monitoring, reviewing, maintaining, and improving an information security management system (ISMS). The process of certifying ISO 27001 ensures that ISMS is under explicit management control. In 2016, we migrated successfully to the ISO 27001:2013.

Glow

In order to manage our talent base, we have developed a proprietary software application called Glow. Glow is the central repository for all information relating to our Globers, including academic credentials, industry and technology expertise, work experience, past and pending project assignments, career aspirations, and performance assessments, among others. Every Globber can access Glow and regularly update his or her technical skills.

We use Glow as a management tool to match open positions on Studio projects with available Globers, which allows us to staff project teams rapidly and with the optimal blend of industry, technology and project experience, while also achieving efficient utilization of our resources. We believe, based on management's experience in the industry, that we are one of few companies in our industry to employ such a tool for this purpose. Accordingly, we believe Glow provides us with a significant competitive advantage.

Clients

At Globant, we focus on delivering innovative and high value-added solutions that drive revenues and brand awareness for our clients. We believe that our approach deepens our relationships and leads to additional revenue opportunities. We also target new clients by showcasing our engineering, design and innovation capabilities along with our deep understanding of digital journeys, emerging technologies and related market trends.

Our clients include primarily medium to large-sized companies based in the United States, Europe, Asia and Latin America operating in a broad range of industries, including Media and Entertainment, Professional Services, Technology and Telecommunications, Travel and Hospitality, Healthcare, Banks, Financial Services and Insurance, and Consumer, Retail and Manufacturing. We believe clients choose us based on our ability to understand their business and help them drive revenues, as well as our innovative and high value-added business proposals, tailored Studio-based solutions, and our reputation for high quality execution. We have been able to grow with, and retain our clients by merging their industry knowledge with our expertise in the latest market trends to deliver tangible business value.

We typically enter into a master services agreement (or MSA) with our clients, which provides a framework for services and a statement of work (or SOW) to define the scope, timing, pricing terms and performance criteria of each individual engagement under the MSA. We generate 40% of our revenue from long-term projects with terms greater than 24 months.

During 2021, 2020 and 2019, our ten largest clients based on revenues accounted for 39.1%, 42.2% and 39.5% of our revenues, respectively. Our top client for the years ended December 31, 2021, 2020 and 2019, Walt Disney Parks and Resorts Online, accounted for 10.9%, 11.0% and 11.2% of our revenues, respectively.

The following table sets forth the amount and percentage of our revenues for the years presented by client location:

	Year ended December 31,					
	2021		2020		2019	
	(in thousands, except percentages)					
By Geography						
North America	\$ 830,904	64.1 %	\$ 574,150	70.5 %	\$ 496,353	75.3 %
Latin America and other	293,957	22.6 %	169,860	20.9 %	111,535	16.9 %
Europe	151,302	11.7 %	61,780	7.6 %	46,784	7.1 %
Asia	20,915	1.6 %	8,349	1.0 %	4,653	0.7 %
Revenues	\$ 1,297,078	100.0 %	\$ 814,139	100.0 %	\$ 659,325	100.0 %

The following table shows the distribution of our clients by revenues for the years presented:

	Year ended December 31,		
	2021	2020	2019
Over \$5 Million	42	32	26
\$1 - \$5 Million	143	97	81
\$0.5 - \$1 Million	106	60	53
\$0.1 - \$0.5 Million	287	185	191
Less than \$0.1 Million	560	424	471
Total Clients	1,138	798	822

Sales and Marketing

Our growth strategy is based on four pillars: (i) leveraging our broad expertise; (ii) growing within existing clients; (iii) acquiring new clients; and (iv) pursuing strategic acquisitions. Our expertise and Studio approach help us expand the portfolio and practices we offer to our clients. Our acquisitions are pursued with the aim of fulfilling strategic goals, such as growing into a new geography (e.g., Clarice and SmallFootprint) or the expansion of specializations (e.g. Cloudshift, Habitat, Walmeric, Atix, Navint and Bluecap).

Under our multi-pronged, integrated sales and marketing strategy, our senior management, sales executives, sales managers, account managers and engagement managers work collaboratively to target, acquire and retain new clients and expand our work for existing clients. Our sales and marketing team, currently comprised of 220 sales and marketing personnel, has broad geographic coverage with a presence in 18 countries.

Beyond leveraging our broad expertise, our sales strategy is driven by three fundamentals: retain, develop and acquire ("RDA"). The retention ("R") component is focused on maintaining our wallet share with existing accounts through flawless execution on our engagements. The development ("D") component emphasizes developing existing client relationships by significantly expanding our wallet share and capturing business from our competitors. The acquisition ("A") component targets new client accounts. Through our RDA strategy, as well as marketing and branding events, we are able to acquire new or expand existing engagements in our large and growing addressable market.

New Clients

We seek to create relationships with strategic clients through existing client referrals or through our multi-tiered approach. Our approach begins by identifying industries and geographic locations with solid growth potential. Once potential clients are identified, we seek to engage the market-facing management personnel of those companies instead of their IT divisions, which allows us to get a better understanding of the prospect's business model before engaging with its IT personnel. The focus on an enterprise's revenue drivers allows us to highlight the value of our services in meeting our client's business needs, thereby differentiating us.

Our account sales teams are made up of sales executives and sales managers, and follow specific guidelines for managing opportunities when contacting potential new clients. Before a sales team approaches a prospective client, we gather significant intelligence and insight into the client's potential needs, creating a specific value proposition for discussion during

the engagement process. Additional opportunities resulting from the planned targeted engagement are gathered and tracked. Once an appropriate opportunity has been identified and confirmed with the client, our sales team performs account and competition mapping and enlists internal industry and subject matter experts as well as pre-sales engineers from all of the participating Studios. We then generate proposals to present to and negotiate with the client. Once we have secured the engagement, our sales executives work closely with the Globant leadership team, partners and subject matter experts from our Studios to ensure that we exceed our new client's expectations.

From time to time, we use ideation sessions and discovery engagements in our pre-sales process. During the discovery engagements, we meet with clients to discuss their goals and develop creative solutions. The discovery engagement sessions help us discover our clients' main objectives, even if those objectives are not explicitly stated. These sessions are critical in helping us to offer solutions that will adapt to our clients' needs and wishes. This allows us to showcase our expertise in emerging technologies to the prospective client while also allowing us to generate a significant number of possible future client opportunities.

Existing Clients

Once we have established the client relationship, we are focused on driving future growth through increased client loyalty and retention. We leverage our historical successes with existing clients and our relationships with our clients' key decision-makers to cross-sell additional services, thereby expanding the scope of our engagements to other departments within our clients' organizations. We seek to increase our revenues from existing clients through our account managers, technical directors, program managers, leadership team, Studio partners, and subject matter experts.

Since 2016, we have introduced a new model that intends to reshape our go-to-market strategy to scale our company in the coming years, called 50 Squared. The main goal of this approach is to focus our team on the top 50 high potential accounts that have the capacity to grow exponentially over time. To do so, we have appointed our most senior people from Sales, Technology and Operations to lead these teams. This account focus has become the most important pillar of our go-to-market strategy and every account within Globant now has the goal to become part of this program.

We undertake periodic reviews to identify existing clients that we believe are of strategic importance based on, among other things, the amount of revenue we generate from the client, as well as the growth potential and brand recognition that the client provides.

Marketing

To fully implement a digital and cognitive transformation, we also help our customers stay relevant within their industries and audiences by providing helpful information and initiatives to understand their users' environment, competitors and behavior. With research, SME gatherings, webinars, workshops and conferences, our leaders offer valuable insights to help organizations create valuable and emotional experiences for the audience.

As of December 31, 2021, our marketing department, Stay Relevant, is based in Latin America, the United States, Europe and India. This team promotes our brand through a variety of channels, including the following:

- **Converge:** our series of executive events that bring together some of the best creative minds in the industry for one amazing day of igniting stories, inventive ideas, learning experiences, and "wow" technology showcases that enable attendees to re-think the new ways they do business.
- **Sentinel Report:** a sentinel report to provide insightful evidence of consumer behavior and market trends that ignite strategic thinking.
- **Reports and whitepapers:** special reports that analyze trends and the impact these have on businesses.
- **Globant Awards:** global awards with two editions - Women that Build, recognizing women who inspire, who build, who lead and help create change, and Digital Disruptors, which acknowledges all those disruptors that lead the digital and cognitive revolution.
- **Webinars:** explore different trends and technologies in depth showcasing views from experts in the field.
- **Events:** small events for specific guests or partners to large events that welcome the community.
- **Podcasts:** discussion of tech trends and DEI perspectives.
- **Blog:** explore content on the latest trends and best practices in the different industries we work with.
- **Newsletter:** monthly update to seek reinvention in every industry.
- **Books:** experts share their fresh perspectives and industry insights.

Seasonality

Our business is seasonal and as a result, our revenues and profitability fluctuate from quarter to quarter. Our revenues tend to be higher in the third and fourth quarters of each year compared to the first and second quarters of each year due to seasonal factors. During the first quarter of each year, which includes summer months in the southern hemisphere, there is a general slowdown in business activities and a reduced number of working days for our IT professionals based in Argentina, Uruguay, Brazil, Peru, Chile and Colombia, which results in fewer hours being billed on client projects and therefore, lower revenues being recognized on those projects. In addition, some of the reduction in the number of working days for our IT professionals in the first or second quarter of the year is due to the Easter holiday. Depending on whether the Easter holiday falls in March or April of a given year, the effect on our revenues and profitability can appear either in the first or second quarter of that year. Finally, we implement annual salary increases in the second and fourth quarters of each year. Our revenues are traditionally higher, and our margins tend to increase, in the third and fourth quarters of each year, when utilization of our IT professionals is at its highest levels.

Competition

The markets in which we compete are changing rapidly. We face competition from both global IT services providers as well as those based in the United States. We believe that the principal competitive factors in our business include: the ability to innovate; technical expertise and industry knowledge; end-to-end solution offerings; reputation and track record for high-quality and on-time delivery of work; effective employee recruiting; training and retention; responsiveness to clients' business needs; scale; financial stability; and price.

We face competition primarily from:

- large global consulting and outsourcing firms, such as Accenture Interactive, Thoughtworks and Epam;
- digital agencies and design firms such as Razorfish, RGA and Ideo;
- traditional technology outsourcing IT services providers, such as Cognizant Technology Solutions, GlobalLogic, Aricent, Infosys Technologies, Mindtree HCL, Tata, Wipro and Luxoft; and
- in-house product development departments of our clients and potential clients.

We believe that our focus on creating software that appeals and connects emotionally with millions of consumers positions us well to compete effectively in the future. However, some of our present and potential competitors may have substantially greater financial, marketing or technical resources; may be able to respond more quickly to emerging technologies or processes and changes in client demands; may be able to devote greater resources towards the development, promotion and sale of their services than we can; and may make strategic acquisitions or establish cooperative relationships among themselves or with third parties that increase their ability to address the needs of our clients.

Intellectual Property

Our intellectual property rights are important to our business. We rely on a combination of intellectual property laws, trade secrets, confidentiality procedures and contractual provisions to protect the investment we make in research and development. We require our employees, independent contractors, vendors and clients to enter into written confidentiality agreements upon the commencement of their relationships with us.

We customarily enter into nondisclosure agreements with our clients with respect to the use of their software systems and platforms. Our clients usually own the intellectual property in the software solutions we deliver. Furthermore, we usually grant a perpetual, worldwide, royalty-free, nonexclusive, transferable and non-revocable license to our clients to use our preexisting intellectual property, but only to the extent necessary in order to use the software solutions we deliver.

We have developed a number of proprietary internal tools that we use to manage our projects, build applications in specific software technologies, and assess software vulnerability. These tools include Glow, Nails, and our Service Over Platforms (SoP).

Our registered intellectual property consists of the trademark "Globant" (which is registered in twelve jurisdictions, including the United States and Argentina), the trademark "StarMe Up", certain other trademarks related to our service offerings and products, three software patents granted in the United States in favor of our United States subsidiary Globant, LLC, and three software patents that are granted in the United States in favor of our Spanish subsidiary Globant España S.A. We do not believe that any individual registered intellectual property right, other than our rights in our name and logo, is material to our business.

Facilities and Infrastructure

The table below sets forth an overview of our office locations as of December 31, 2021.

Country	Number of Offices	Type	Square Feet
Argentina	15	Development and Delivery Center / Client Management Center	378,009
Brazil	5	Development and Delivery Center / Client Management Center	19,096
Chile	1	Development and Delivery Center / Client Management Center	14,187
Colombia	6	Development and Delivery Center / Client Management Center	174,538
France	1	Client Management Center	592
India	2	Development and Delivery Center	134,151
United Kingdom	2	Development and Delivery Center / Client Management Center	3,735
Mexico	4	Development and Delivery Center / Client Management Center	99,351
Peru	1	Development and Delivery Center	30,419
Spain	7	Development and Delivery Center / Client Management Center	38,568
United States	7	Development and Delivery Center / Client Management Center	69,987
Luxembourg	1	Principal Executive Office	150
Uruguay	2	Development and Delivery Center / Client Management Center	54,853
Belarus	1	Development and Delivery Center	28,794
Romania	1	Development and Delivery Center	8,396
Total	56		1,054,826

Regulatory Overview

Due to the industry and geographic diversity of our operations and services, our operations are subject to a variety of rules and regulations, and several Latin American countries, the United States, Europe and India federal and state agencies regulate various aspects of our business. See "[Risk Factors — Risks Relating to Our Business and Industry — Our business results of operations and financial condition may be adversely affected by the various conflicting and/or onerous legal and regulatory obligations required in the countries where we operate](#)". If we are not in compliance with applicable legal requirements, we may be subject to civil or criminal penalties and other remedial measures, which could adversely affect our business, financial condition and results of operations.

We benefit from certain tax incentives promulgated by the Argentine, Uruguayan, Indian and Belarus governments. See "[Business Overview — Government Support and Incentives](#)."

Argentine Taxation

The following is a summary of the material Argentine tax considerations relating to our operations in Argentina and it is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect as of the date of this annual report. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming. Any such changes or interpretations could affect the tax consequences to us, possibly on a retroactive basis, and could alter or modify the statements and conclusions set forth herein. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to our operations in Argentina.

Laws No. 27,430 and the Social Solidarity Law, enacted by the Argentine Congress on December 27, 2017 and December 21, 2019 respectively, made relevant amendments to the Argentine federal tax regime. Such amendments reached, among other laws, the Argentinean Income Tax Law No. 20,628, as amended (the "ITL"). As a result, references to ITL and other tax laws refer to laws in force according to such amendments.

Knowledge Economy Law

On May 22, 2019, the Argentine Congress enacted the Knowledge Economy Law No 27,506. The Knowledge Economy Law took effect as from January 1, 2020 for the legal entities adhered to the Software Promotion Law and is effective until December 31, 2029. It aims to promote economic activities that apply knowledge and digitization of information, supported by advances in science and technology, to obtain goods and services and improve processes.

Currently, the Knowledge Economy Law is subject to additional regulation by the enforcement authority. For further discussion of the Knowledge Economy Law, see "[Business Overview - Government Support and Incentives](#)".

Income tax

The ITL, establishes a federal tax on the worldwide income of Argentine resident individuals, legal entities incorporated in Argentina and Argentine branches of foreign entities. On the income earned by Argentine residents from activities carried out abroad, any payment of foreign taxes can be taken as a credit against payment of the applicable Argentine tax. However, the credit may only be applied to the extent that the foreign tax does not exceed the Argentine tax. Income tax is payable on the net income made in a given fiscal year. Losses incurred during any fiscal year may be carried forward and set off against taxable income obtained during the following five fiscal years.

Non-Argentine residents and legal entities without a permanent establishment in Argentina ("Foreign Beneficiaries") are taxed only on income derived from Argentine sources. Based on the ITL, income will be considered as sourced in Argentina when it is made from assets located, placed or used in Argentina, or from the performance of any act or activity in Argentina that produces an economic benefit, or from events occurring in Argentina

Law No. 27,430 sets forth the progressive reduction of the corporate tax rate from 35% to 30% applicable to the fiscal periods starting from January 1, 2018 until December 31, 2019, and to 25% applicable to the fiscal periods starting on January 1, 2020. However, on December 23, 2019, the Argentine Government enacted the Social Solidarity Law -which declared a public emergency in economic, financial, fiscal, administrative, social security, tariff, energy, health and social matters- that increases the corporate income tax rate for years commencing on or after January 1, 2020 to 30%.

On June 16, 2021, Law No. 27,630 replaced the fixed rate paid by Argentine companies on their corporate income from 30% to a progressive rate ranging from 25% to 35% for fiscal periods starting January 1, 2021. Subject to net income amounts, companies are required to pay a fixed amount and a progressive rate over the surplus of the minimum base rate in their category. The amounts will be adjusted once a year starting January 1, 2022. To that effect, the annual variation of the CPI will be computed.

Finally, ITL establishes the taxation of indirect transfers of assets located in Argentina. If a foreign beneficiary transfers shares, quotas, participations and other rights representative of the capital or equity of an entity incorporated, domiciled or located abroad, the resulting income will be considered as Argentine-source income as long as the following conditions prevail: (i) the value of the shares, participations or rights of the foreign entity, at the time of sale or in any of the 12 previous months, represent, at least, 30% of the value of the assets that the entity owns directly or indirectly in Argentina; and (ii) the sold shares, participations or rights of the foreign entity represent 10% of the equity of that entity, at the time of their disposal or in any of the 12 previous months. The non-resident may opt to pay 15% on the net gain or 13.5% over the gross amount of the transaction. However, the tax will not apply if the transfer is done within an economic group. The tax on indirect transfers will only apply to participation acquired after January 1, 2018.

Laws No. 27,430 and No. 27,468 reinstated the application of an integral inflation adjustment tax mechanism. The mechanism is triggered when the variation of the CPI supplied by the INDEC, exceeds 55%, 30% and 15%, for fiscal years beginning on or after January 1, 2019, 2020 and 2021, respectively.

When companies apply the integral inflation adjustment tax mechanism, they must allocate one-sixth of any resulting negative or positive inflation adjustment to the fiscal year to which it corresponds, and the remaining fifth-sixth, in equal parts, to the following five fiscal years. According to applicable law, and if no additional tax reform is passed, for the fiscal years beginning on or after January 1, 2021, 100% of the tax inflation adjustment (negative or positive) would be allocated by fiscal year.

Value-added tax

The value-added tax applies to the sale of goods, the provision of services and importation of goods. Under certain circumstances, services rendered outside of Argentina, which are effectively used or exploited in Argentina, are deemed to be rendered in Argentina and, therefore, subject to value-added tax to the extent that the recipient of the service is a VAT registered taxpayer. In addition, digital services rendered abroad are taxed regardless of the tax status of the recipient of the services. The current value-added tax general rate is 21%. Certain sales and imports of goods, such as computers and other hardware, are, however, subject to value-added tax at a lower tax rate of 10.5%. The sale of the shares held in Argentine or foreign companies is not subject to value-added tax.

Services rendered in Argentina, which are effectively used or exploited abroad, qualify as "export services" and are not subject to VAT. The effective utilization or exploitation is verified with the immediate utilization or the first act of disposal of the service by the recipient even when, if appropriate, the latter intends such service for consume.

Law No. 27,346, published in the Argentine government's official gazette on December 27, 2016, modifies the value-added tax law and creates the figure of substitute taxpayer for the payment of the tax corresponding to foreign residents who render services in Argentina.

Substitute taxpayers will assess and pay for value-added tax corresponding to the act, even in the cases in which it is impossible to withhold that tax from the foreign resident. Also, the tax paid will be considered as a tax credit if in favor of the substitute taxpayer.

Tax on debits and credits in bank accounts

This tax applies to debits and credits from and to Argentine bank accounts and to other transactions that, due to their special nature and characteristics, are similar or could be used in lieu of a bank account. There are certain limited exceptions to the application of this tax. The general tax rate is 0.6% applicable on each debit and/or credit; however there are increased rates of 1.2% and reduced rates of 0.075%. According to Decree 409/2018, the owners of bank accounts on which the tax is levied at the 0.6% or 1.2% rate may compute 33% of the amounts paid under this tax as a payment on account of the income tax, tax on presumed minimum income and/or the special contribution on cooperative capital. The amount not computed cannot be subject, under any circumstances, to compensation with other taxes borne by the taxpayer or requests for reimbursement or transfer in favor of third parties, and may be transferred, until exhaustion, to other fiscal periods of the aforementioned taxes.

Net wealth tax

The net wealth tax is payable on shares and other equity participation issued by an entity domiciled in Argentina that are owned either by individuals, regardless of residence, or by companies residing abroad.

The tax is paid by the local company itself. The applicable rate is 0.50% on the company's net worth. Pursuant to the Personal Assets Tax Law, an Argentine company is entitled to seek reimbursement of such tax paid from the shareholders. The current DDTs signed by Argentina do not provide an exemption on this tax.

Tax on dividends

Dividends from profits obtained before fiscal year 2018 are not subject to any income tax withholding except for the "Equalization Tax". The Equalization Tax is applicable when the dividends distributed are higher than the "net accumulated taxable income" of the immediate previous fiscal period from when the distribution is made.

Dividends from profits obtained in the fiscal year 2018 and onwards, are subject to a 7% income tax withholding on the amount of such dividends. This rate may be reduced by application of a DTT, provided certain conditions are complied with.

Duty on exported services

On December 4, 2018, Argentina approved the 2019 budget through Law 27,467. The Law amends the Customs Code to allow for duties to be applied to the exportation of services (and not only goods). In addition, the Executive Power was allowed to impose export duties of up to 30% until December 31, 2020. However, in the cases of services and goods that were not subject to export duties before September 2, 2018, the maximum rate is 12%.

On December 28, 2019, the Argentine government extended the application of duties on exported services until December 31, 2021, with a rate of 5% without limit. The new rate is effective as of January 1, 2020.

A service is considered “exported” when it is rendered from Argentina but it is effectively used or exploited off shore. The effective utilization or exploitation is verified with the immediate utilization or the first act of disposal of the service by the recipient even when, if appropriate, the latter intends such service for consume.

Decree 1034/2020 (published on December 21, 2020 and regulates the Knowledge Economy Law) sets forth that duties on export services will be taxed at a 0 % tax rate when such services are exported by entities registered under the Registry of Beneficiaries of the Knowledge Based Economy Promotional Regime. Additionally, Resolution 4/2021, published on January 14, 2021, establishes that this tax benefit will apply to services exported by beneficiaries of the regime since their registration in the relevant registry. However, for those entities that were registered under the Software Promotional Law, the registration under the Knowledge Economy Law will be granted as from January 1, 2020 and the 0% tax rate will be applicable for services exported from the date in which Decree 1034/2020 entered into force (December 22, 2020).

Duties on export of services have not been extended and, therefore, will not be in force as of January 1, 2022.

Turnover tax

Turnover tax is a local tax levied on gross income. Each of the provinces and the City of Buenos Aires apply different tax rates. The tax is levied on the amount of gross income resulting from business activities carried on within the respective provincial jurisdictions. The provinces have signed an agreement to avoid the double taxation of activities performed in more than one province (*Convenio Multilateral del 18 de agosto de 1977*). Under this agreement, gross income is allocated between the different provinces applying a formula based on income obtained and expenses incurred in each province.

Incoming funds from nil or low tax jurisdictions

According to the legal presumption under Law No.11,683, as amended, incoming funds from jurisdictions with low or no taxation are deemed an unjustified increase in net worth for the Argentine party, regardless of the nature of the operation involved. Unjustified increases in net worth are subject to the following taxes:

- (a) income tax at a 35% rate on 110% of the amount of the transfer; and
- (b) value added tax at a 21% rate on 110% of the amount of the transfer.

The Argentine tax resident may rebut such legal presumption by proving before the Argentine Tax Authority that the funds arise from activities effectively performed by the Argentine taxpayer or a third party in such jurisdictions, or that such funds have been previously declared.

According to section 20 of the ITL (as amended by Law No. 27,630), Low or Nil Tax Jurisdiction means any country, jurisdiction dominium, territory, associated state or special tax regime in which the maximum corporate income tax rate is lower than 60% of the minimum corporate income tax rate included in the scale of section 73 of the ITL, which is 25%. Therefore, to avoid being regarded as a low tax jurisdiction, the maximum corporate income tax rate of a given jurisdiction must be equal or higher than 15%. For purposes of determining whether a jurisdiction is a low-tax or no-tax jurisdiction, the regulatory Decree 1170/2018 clarifies that the total tax rate imposed in that jurisdiction must be taken into account, regardless of which government unit (e.g., federal, state, municipal or city) imposes the tax. The decree also provides that a “preferential tax regime” is one that deviates from the general corporate tax system in the subject jurisdiction and results in a lower effective tax rate.

As of the date of this annual report, there no transactions executed that would qualify under this legal presumption.

Colombian taxation

The following is a summary of the material Colombian tax considerations relating to our operations in Colombia and it is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect as of the date of this annual report. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming. Any such changes or interpretations could affect the tax consequences to us, possibly on a retroactive basis, and could alter or modify the statements and conclusions set forth herein. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to our operations in Colombia.

Corporate income tax

National corporations, branches of foreign corporation and permanent establishment are taxed on worldwide income. National corporations are corporations that have their principal domicile in Colombia or are organized under Colombian law or that during the respective tax year or period have their effective place of management in Colombia (holding board meetings in Colombia is not enough to qualify as a national company).

The standard corporate income tax rate for fiscal years starting on January 1, 2022 is 35%.

A reduced corporate income tax rate of 20% applies to legal entities qualified as Industrial Users of Goods and/or Services in a free-trade zone. Commercial Users in a free-trade zone are subject to the general corporate income tax rate. A special reduced rate of 9% applies to certain activities that in the past had some tax benefits or exemption, such as certain services in new or refurbished hotels, eco-tourism activities and some leasing agreements with respect to housing, as well as for publishers of scientific and cultural content.

Capital gains are subject to tax at a corporate income tax rate of 10%. It is assumed that the following items are considered capital gains: (a) Gains on the transfer of fixed assets owned for more than two years and (b) Gains resulting from the receipt of liquidation proceeds of corporations in excess of capital contributed if the corporation existed for at least two years.

Taxation on dividends

Distributions to nonresidents are subject to tax at a rate of 10%. The dividends tax rate for resident individuals is 10%, with 300 Tax Units (2022: COP\$11,401,200) of exempt income.

No dividend tax applies to distributions to resident companies. However, a 7.5% income tax rate is introduced on dividends distributed between resident companies, which applies on the first distribution, with a credit for the tax passed onto the ultimate shareholder (resident individual or non-resident entity or individual). The 7.5% withholding is not applicable when the distribution is made between registered economic group members.

The dividends tax applies to the distribution of profits generated in 2017 and onwards. In addition, if the dividend distribution is made out of profits that were not taxed at the distributing entity level, the distribution to nonresidents is subject to a 35% corporate income tax (recapture tax), which is withheld by the company who distributes the dividends. In this case, the 10% dividends tax applies on the distributed amount after it is reduced by the 35% recapture income tax.

A 35% corporate income tax is imposed on dividends paid to residents (including companies and individuals) out of profits not taxed at the corporate level. If the profits subject to tax at the corporate level in a given year are higher than the commercial profits of that year, the difference can be carried back for two years or carried forward for five years to offset the profits of such periods, in order to reduce or eliminate the amount of the distribution subject to the 35% withholding tax. This carryforward or carryback should not reduce the amount of the distribution to nonresidents subject to the dividends tax of 10%.

Presumptive income

Under the Colombian tax law, the tax base for corporate income tax purposes is the higher of actual taxable income or minimum presumptive income, which is equal to 3.5% of the net equity as of December 31 of the preceding tax year. Under Law No. 1,943 and Law No. 2,010, the presumptive income tax rate is reduced from 3.5% to 1.5% for years 2019 and 2020 and was abolished in 2021.

Tax on indirect transfer of shares

Law No. 1,943 and Law No. 2,010 introduced a new tax calculated over the profits derived from the indirect transfer of shares in Colombian entities and rights or assets located in Colombia through the transfer of shares, participations or rights of

foreign entities are taxed in Colombia as if the underlying Colombian asset had been directly transferred. Where the seller fails to report the deemed income arising on the indirect transfer as net income or capital gains on the income tax return, the “subordinate” Colombian company is jointly and severally liable for the tax payable, as well as any associated interest and penalties. The purchaser also is jointly and severally liable if it becomes aware that the transaction constitutes an abuse for tax purposes. These provisions do not apply where the underlying Colombian assets (i) are shares that are listed on a stock exchange or that are not more than 20% owned by a single beneficial owner or (ii) represent less than 20% of both the book value and the commercial value of the total assets held by the foreign entity being transferred.

Mexican Taxation

The following is a summary of the material Mexican tax considerations relating to our operations in Mexico and it is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect as of the date of this annual report. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming. Any such changes or interpretations could affect the tax consequences to us, possibly on a retroactive basis, and could alter or modify the statements and conclusions set forth herein. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to our operations in Mexico.

Corporate income tax

Corporations resident in Mexico are taxed on their worldwide income from all sources, including profits from business and property. A nonresident corporation in Mexico is subject to profits tax on income earned from carrying on business through a permanent establishment in Mexico and on Mexican-sourced income. Corporations are considered residents of Mexico if their principal place of management is located in Mexico.

The corporate income tax rate is 30%.

The income tax law recognizes the effects of inflation on the following items and transactions: (a) depreciation of fixed assets (b) cost on sales of fixed assets (c) sales of capital stock (shares) (d) monetary assets and liabilities and (e) tax loss carryforwards.

Taxation on dividends

Resident individuals and nonresident shareholders of a Mexican corporation are subject to a 10% income tax on dividends received that are paid out of profits generated after 2013. Dividends are not subject to corporate income tax at the distributing company level if the distribution is from previously taxed earnings and if the distributing corporation has sufficient accumulation in its “net after-tax profit” (“CUFIN”) account to cover the dividend. If the dividend is in excess of the CUFIN account, the dividend is also taxed at the distributing company level at a rate of 30% on a grossed-up basis.

Foreign exchange controls

The following is a summary of the material foreign exchange control considerations relating to our operations in Argentina, Colombia and India, and it is based upon laws, regulations, decrees, rulings, administrative practice and judicial decisions in effect as of the date of this annual report. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming. Any such changes or interpretations could affect us and could alter or modify the statements and conclusions set forth herein. This summary does not purport to be a legal opinion or to address all foreign exchange controls aspects that may be relevant to our operations in such jurisdictions.

Argentina

Since September 1, 2019, the Argentine Central Bank reinstated rigid foreign exchange controls. Under these regulations, among others, (a) access to the FX Market is subject to compliance with a foreign indebtedness information regime; (b) the prior authorization of the Argentine Central Bank is required for access to the FX Market for the purchase of foreign currency for portfolio investment by legal entities, and, with certain exemptions, for the payment of dividends and earnings, for the pre-payment of principal and interest on foreign financial indebtedness and on indebtedness for the import of goods and services, and for the payment of services and financial indebtedness with related parties; and (c) the payment of imports of goods is subject to certain requirements, including a special follow-up regime when the goods are pending of customs entry registration, and are controlled through a payment tracking system; provided that the import of certain luxury goods is subject to the Argentine Central Bank prior authorization.

The Argentine Central Bank also provided for the mandatory transfer into Argentina and the conversion into Argentine pesos through the FX Market of the collections of foreign currency from the export of goods and services, and from the disbursement of foreign financial loans (in order for the debtor to have access to the FX Market for the payment of principal and interests under such foreign financial loan on their scheduled maturity).

Moreover, (a) pursuant to Communication "A" 7001 of the Argentine Central Bank, as amended, in addition to any other applicable requirements, any access to the FX Market is subject to the filing of an affidavit by the requestor (i) stating that it has not sold in Argentina securities settled against foreign currency or transferred securities out of Argentina, among others, within the immediately preceding 90 consecutive days; and (ii) committing not to make any such transactions within the immediately following 90 consecutive days; and (b) pursuant to Communication "A" 7030 of the Argentine Central Bank, as amended, (i) access to the FX Market for making payments on, among others things, imports of goods, services, interests in connection with the import of goods and services, dividends, principal and interest on financial debt and debt securities, international portfolio investments or transactions with derivatives by legal entities, other purchases of foreign currency for specific allocation and premium, guarantees and payments on interest hedging transactions, is subject to the filing of an affidavit by the requestor (x) stating, that as of such date, all of such party's holdings of foreign currency in Argentina is deposited with Argentine financial institutions and that it does not have foreign liquid disposable assets for an equivalent of more than \$100,000; and (y) committing to transfer into Argentina and settle for Argentine pesos any foreign currency payments received outside of Argentina from the collection of loans granted to third parties after May 28, 2020, time deposits made after May 28, 2020, or the sale of any asset; and (ii) until June 30, 2022, with certain limited exceptions, access to the FX Market for the payment of the import of certain goods or the payment of principal under imports accounts payable will be subject to prior approval of the Argentine Central Bank, except where, among other things, the party files an affidavit stating that the aggregate amount of payments of imports made by such party since January 1, 2020 (including the payment requested) does not exceed \$250,000.

On September 15, 2020, the Argentine Central Bank restricted the access to FX Market for the payment of principal under foreign financial debt with third parties (other than with international or multilateral credit organizations) in excess of US\$2,000,000 per month in the aggregate with maturities between October 15, 2020 and June 30, 2022 to an amount equal to up to 40% of the amount originally due; and provided that the remaining unpaid principal balance must be refinanced with an average life of at least two years, with certain limited exceptions. Pursuant to Communication "A" 7218, dated February 4, 2021, the Argentine Central Bank allowed Argentine residents to access the FX Market for the payment of principal and interest under debt securities registered outside Argentina and issued since February 5, 2021, and that are partially subscribed for in foreign currency in Argentina, subject to certain requirements.

Pursuant to the Social Solidarity Law, since December 21, 2019, the Argentine congress established a new 30% tax on the purchase of foreign currency for portfolio purposes, the acquisition of goods and services with credit and debit cards, and any payments in connection with international passenger transportation. Digital services rendered from outside Argentina (such as hosting, web services, software as a service, streaming services, etc.) are subject to a reduced tax rate of 8.0%.

Pursuant to Resolution 591/2020 of the Chief Cabinet of Ministers, entities benefiting from programs granting aids in connection with the COVID-19 crisis are prohibited from, among other things, making dividend distributions, and purchasing securities with Argentine pesos for their sale for foreign currency or transferring to custody accounts outside Argentina.

Law No. 19,359, as amended and complemented, establishes penalties for the infringement of any foreign exchange regulations. Penalties include fines of up to a tenfold increase in the amount of the infringing transaction, temporary suspensions, disqualification for up to ten years preventing the infringing party from acting as importer, exporter and/or as foreign exchange institution, or even prison in event of recidivism.

For additional information regarding all current foreign exchange restrictions and exchange control regulations in Argentina, investors should consult their legal advisors and read the applicable rules mentioned herein, as well as any amendments and complementary regulations, which are available at the Argentine Central Bank's website: www.bcra.gov.ar.

Colombia

Under Colombian foreign exchange regulations, payments in foreign currency related to certain foreign exchange transactions must be conducted through the commercial exchange market, by means of an authorized financial intermediary, and declaring to the Colombian Central Bank. This mechanism applies to payments in connection with, among others, imports and exports of goods, foreign loans and related financing costs, investment of foreign capital and the remittances of profits thereon, investment in foreign securities and assets and endorsements and guarantees in foreign currency. Transactions through the commercial exchange market are made at market rates freely negotiated with the authorized intermediaries.

In addition, the Colombian Central Bank may intervene in the foreign exchange market at its own discretion at any time and may, under certain circumstances, take actions that limit the availability of foreign currency to private sector companies. Notwithstanding the foregoing, the Colombian Central Bank has never taken such action since the present foreign exchange regime was implemented in 1991.

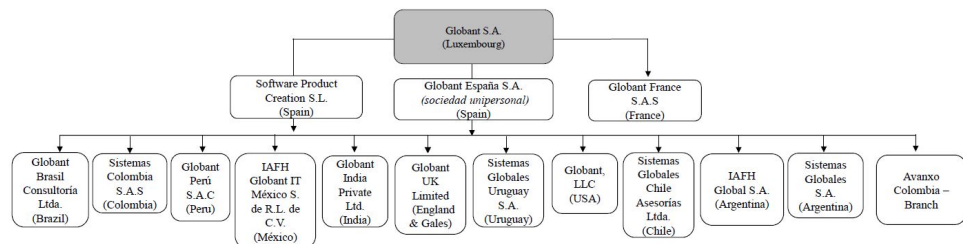
India

The prevailing foreign exchange laws in India, more specifically, Section 8 of the Foreign Exchange Management Act, 1999, require an Indian company to take all reasonable steps to realize and repatriate into India all foreign currency earned by the company outside India, within such time periods and in the manner specified by the Reserve Bank of India (the "RBI"). The RBI has promulgated guidelines that require Indian companies to realize and repatriate such foreign currency to India, *inter alia* by way of remittance into a foreign currency account such as an Exchange Earners Foreign Currency ("EEFC") account maintained with an authorized dealer in India. Remittance into an EEFC account is subject to the condition that the sum total of the accruals in the account during a calendar month should be converted into rupees on or before the last day of the succeeding calendar month, after adjusting for utilization of the balances for approved purposes or forward commitments.

C. Organizational Structure

On December 10, 2012, we incorporated our company, Globant S.A., as a *société anonyme* under the laws of the Grand Duchy of Luxembourg, as the holding company for our business. Prior to the incorporation in Luxembourg, our company was incorporated in Spain as a *sociedad anónima*, which we refer to as "Globant Spain" or "Spain Holdco". As a result of the incorporation of our company in Luxembourg and certain related share transfers and other transactions, Globant Spain became a wholly-owned subsidiary of our company.

The following chart is a summary of our principal subsidiaries as of February 11, 2022. You may find complete information about all of our subsidiaries and their respective holdings in [Exhibit 8.1](#).



D. Property, Plant and Equipment

See "[Business Overview - Facilities and Infrastructure](#)".

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements and related notes included elsewhere in this annual report. Our consolidated financial statements have been prepared in accordance with IFRS. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Key Information—Risk Factors" and elsewhere in this annual report.

Overview

See "[Information on the Company — History and Development of the Company](#)" and "[Information on the Company — Business Overview — Overview](#)".

A. Operating Results

Factors Affecting Our Results of Operations

Over the last few years, the simultaneous digital and cognitive revolutions have transformed the technology industry, reshaped how companies connect with consumers and employees, and created opportunities for gains in efficiency. Today's technology users move quickly and demand personalized and frictionless experiences through always-available digital ecosystems. Increased demand for more intelligent and human-like technology is contributing to changes in the industry. To address user demands, companies are leveraging AI, UX, Mobile, Cloud, VR and other technologies.

We believe that the most significant factors affecting our results of operations include:

- market demand for integrated engineering, design and innovation technology services relating to emerging technologies and related market trends;
- economic conditions in the industries and countries in which our clients operate and their impact on our clients' spending on technology services;
- our ability to continue to innovate and remain at the forefront of emerging technologies and related market trends;
- expansion of our service offerings and success in cross-selling new services to our clients;
- our ability to obtain new clients, increase penetration levels with our existing clients and continue to add value for our existing clients so as to create long-term relationships;
- the availability of, and our ability to attract, retain and efficiently utilize, skilled IT professionals in Latin America, India, Europe and the United States;
- operating costs in countries where we operate;
- capital expenditures related to the opening of new delivery centers and client management locations and improvement of existing offices;
- our ability to increase our presence onsite at client locations;
- the effect of wage inflation in countries where we operate and the variability in foreign exchange rates, especially relative changes in exchange rates between the U.S. dollar and the Argentine peso, Uruguayan peso, Mexican peso, Colombian peso and Indian rupees; and
- our ability to identify, integrate and effectively manage businesses that we may acquire.

Our results of operations in any given period are directly affected by the following additional company-specific factors:

- Pricing of, and margin on, our services and revenue mix. For time-and-materials contracts, the hourly rates we charge for our Globers are a key factor impacting our gross profit margins and profitability. Hourly rates vary by complexity of the project and the mix of staffing. The margin on our services is impacted by the increase in our costs in providing those services, which is influenced by wage inflation, market conditions and other factors. As a client relationship matures and deepens, we seek to maximize our revenues and profitability by expanding the scope of services offered to that client and achieving higher profit margin assignments. During the three-year period ended December 31, 2021, we increased our revenues attributable to sales of technology solutions (primarily through our Scalable Platforms, Agile Delivery, Artificial Intelligence, Cloud Ops. and UI Engineering Studios), and our gross profit margin was 38.2%, 37.4% and 38.5% for the years ended December 31, 2021, 2020 and 2019, respectively. Adjusted gross profit margin was 39.5%, 39.1% and 40.4% for the years ended December 31, 2021, 2020 and 2019, respectively, expanding our margins in 2021 as a result of the aforementioned factors.
- Our ability to deepen and expand the portfolio of services we offer while maintaining our high standard of quality. The breadth and depth of the services we offer impact our ability to grow revenues from new and existing clients. Through research and development, targeted hiring and strategic acquisitions, we have invested in broadening and deepening the domains of expertise of our Studios. Our future growth and success depend significantly on our ability to maintain the expertise of each of our Studios, to continue to innovate and to anticipate the needs of our clients and rapidly

develop and maintain the expertise of each of our Studios, including relevant domain knowledge and technological capabilities required to meet those client needs, while maintaining our high standard of quality.

- Our ability to recruit, retain and manage our IT professionals may have an effect on our gross profit margin and our results of operations. Our IT professional headcount was 22,167 as of December 31, 2021, 15,290 as of December 31, 2020 and 11,021 as of December 31, 2019. We manage employee headcount and utilization based on ongoing assessments of our project pipeline and requirements for professional capabilities. An unanticipated termination of a significant project could cause us to experience lower employee utilization resulting from a higher than expected number of idle IT professionals. Our ability to effectively utilize our employees is typically improved by longer-term client relationships due to increased predictability of client needs over the course of the relationships.
- Investments in our delivery platform. See “[Information on the Company — Business overview. — Facilities and Infrastructure.](#)” Our integrated global delivery platform allows us to deliver our services through a blend of onsite and offsite methods. We have pursued a decentralization strategy in building our network of delivery centers, recognizing the benefits of expanding into other cities in Argentina and other countries in Latin America, including the ability to attract and retain highly skilled IT professionals in increasing scale. Our ability to effectively utilize our robust delivery platform could significantly affect our results of operations in the future.
- Seasonality. See “[Information on the Company - Business overview — Seasonality.](#)”

Our results of operations are expected to benefit from government policies and regulations designed to foster the software industry in Argentina, primarily under the Software Promotion Law. For further discussion of the Software Promotion Law, see “[Information of the Company - Business Overview — Government Support and Incentives.](#)”

Certain Income Statement Line Items

2021 Compared to 2020

Revenues

Revenues are derived primarily from providing technology services to our clients, which are medium to large-sized companies mainly based in the United States, Europe, Asia and Latin America. For the year ended December 31, 2021, revenues increased by 59.3% to \$1.3 billion from \$814.1 million for the year ended December 31, 2020.

We discuss below the breakdown of our revenues by contract type, client location, industry vertical and client concentration. Revenues consist of technology services revenues and reimbursable expenses, which primarily include travel and out-of-pocket costs that are billable to clients.

Revenues by Contract type

We perform our services primarily under time-and-material contracts and, to a lesser extent, fixed-price contracts. The remaining portion of our revenues in each year was derived from other types of contracts.

	Year ended December 31,							
	2021			2020				
	(in thousands, except percentages)							
By Contract								
Time & Materials	\$	1,062,171	81.9	%	\$	698,943	85.9	%
Fixed Price		218,846	16.9	%		107,033	13.1	%
Subscription resales		16,039	1.2	%		8,156	1.0	%
Others		22	—	%		7	—	%
Revenues	\$	1,297,078	100.0	%	\$	814,139	100.0	%

Revenues by Client Location

Our revenues are sourced from three main geographic markets: North America (primarily the United States), Europe (primarily Spain and the United Kingdom) and Latin America (primarily Argentina, Brazil, Chile and Mexico). We present our revenues by client location based on the location of the specific client site that we serve, irrespective of the location of the headquarters of the client or the location of the delivery center where the work is performed. For the year ended December 31, 2021, we had 1,138 clients.

The following table sets forth revenues by client location by amount and as a percentage of our revenues for the years indicated:

	Year ended December 31,							
	2021			2020				
	(in thousands, except percentages)							
By Geography								
North America	\$	830,904	64.1	%	\$	574,150	70.5	%
Europe		151,302	11.7	%		61,780	7.6	%
Asia		20,915	1.6	%		8,349	1.0	%
Latin America and other		293,957	22.6	%		169,860	20.9	%
Revenues	\$	1,297,078	100.0	%	\$	814,139	100.0	%

Revenues by Industry Vertical

We are a provider of technology services to enterprises in a range of industry verticals including media and entertainment, professional services, technology and telecommunications, travel and hospitality, banks, financial services and insurance, consumer, retail and manufacturing and health care, among others. The following table sets forth our revenues by amount and as a percentage of our revenues by industry vertical for the periods indicated:

	Year ended December 31,							
	2021		2020					
	(in thousands, except percentages)							
By Industry Vertical								
Banks, Financial Services and Insurance	\$	308,227	23.8	%	\$	193,364	23.8	%
Media and Entertainment		272,703	21.0	%		187,071	23.0	%
Consumer, Retail & Manufacturing		197,620	15.2	%		105,876	13.0	%
Professional Services		167,997	13.0	%		103,133	12.7	%
Technology & Telecommunications		155,665	12.0	%		96,643	11.9	%
Health Care		96,334	7.4	%		53,781	6.6	%
Travel & Hospitality		87,567	6.8	%		67,634	8.3	%
Other Verticals		10,965	0.8	%		6,637	0.7	%
Total	\$	1,297,078	100.0	%	\$	814,139	100.0	%

The increase in revenues from clients in the banks, financial services and insurance industry vertical was primarily attributable to higher demand for services related to scalable platforms, user interface solutions and strategic transformation.

The increase in revenues from clients in the media and entertainment industry vertical was primarily attributable to a higher demand for our gaming services, scalable platforms and user interface solutions.

The increase in revenues from clients in the consumer, retail and manufacturing industry vertical was primarily attributable to higher demand for services related to scalable platforms solutions, adaptive organizations and our digital experience platforms.

The increase in revenues from clients in the professional services industry vertical was primarily attributable to higher demand for services related to product acceleration practices, scalable platforms and internet of things solutions.

The increase in revenues from clients in the technology and telecommunications industry vertical was primarily attributable to higher demand in digital content, AI services and Cloud Ops. solutions.

The increase in revenues from clients in the travel and hospitality industry vertical was primarily attributable to the demand recovery after the 2020 COVID-19 Outbreak, and mainly focused on scalable platforms services, Data And Artificial Intelligence, and our Digital Experience Platforms.

The increase in revenues from clients in the health care industry vertical was primarily attributable to new clients acquired in business combinations.

The increase in revenues from clients in other verticals is mainly explained by the higher demand for Adaptive Organizations Services, Consulting and Data and Artificial Intelligence.

Revenues by Client Concentration

We have increased our revenues by expanding the scope and size of our engagements, and we have grown our key client base primarily through our business development efforts and referrals from our existing clients.

The following table sets forth revenues contributed by our largest client, top five clients, top ten clients and top twenty clients by amount and as a percentage of our revenues for the years indicated:

	Year ended December 31,			
	2021		2020	
	(in thousands, except percentages)			
Client concentration				
Top client	\$ 141,100	10.9 %	\$ 89,158	11.0 %
Top five clients	345,835	26.7 %	249,451	30.6 %
Top ten clients	506,572	39.1 %	343,431	42.2 %
Top twenty clients	674,883	52.0 %	442,902	54.4 %

Our top ten customers for the year ended December 31, 2021 have been working with us for, on average, nine years.

An increase in revenues from our top ten clients in 2021 reflects our ability to increase the scope of our engagement with our main customers. Revenues from our largest client for 2021, Walt Disney Parks and Resorts Online, increased by \$51.9 million, or 58.3%, to \$141.1 million for 2021 from \$89.2 million for 2020.

Our focus on delivering quality to our clients is reflected in the fact that existing clients from 2020 contributed 91.9% of our revenues in 2021. As evidence of the increase in scope of engagement within our client base, the number of clients that each accounted for over \$5.0 million of our annual revenues increased (42 in 2021 and 32 in 2020) and the number of clients that each accounted for at least \$1.0 million of our annual revenues increased to 185 in 2021 and 129 in 2020. The following table shows the distribution of our clients by revenues for the year presented:

	Year ended December 31,	
	2021	2020
Over \$5 Million	42	32
\$1 - \$5 Million	143	97
\$0.5 - \$1 Million	106	60
\$0.1 - \$0.5 Million	287	185
Less than \$0.1 Million	560	424
Total Clients	1,138	798

The volume of work we perform for specific clients is likely to vary from year to year, as we are typically not any client's exclusive external technology services provider, and a major client in one year may not contribute the same amount or percentage of our revenues in any subsequent year.

Operating Expenses

Up to 80% of the amounts paid by our Argentine subsidiaries for certain social security taxes in respect of base and incentive compensation of our IT professionals is credited back to those subsidiaries under the Knowledge based Economy Law, reducing the effective cost of social security taxes of the base and incentive compensation on which those contributions are calculated. For further discussion of the Knowledge based Economy Law, see [note 3.7.1.1](#) to our audited consolidated financial statements for the year ended December 31, 2021.

Cost of Revenues

The principal components of our cost of revenues are salaries, professional services and travel costs related to the provision of services. Included in salaries are base salary, incentive-based compensation, employee benefits costs and social security taxes. Salaries of our IT professionals are allocated to cost of revenues regardless of whether they are actually performing services during a given period.

Also included in cost of revenues is the portion of depreciation and amortization expense attributable to the portion of our property and equipment and intangible assets utilized in the delivery of services to our clients.

Our cost of revenues has increased in recent years in line with the growth in our revenues and reflects the expansion of our operations in Spain, Argentina, Uruguay, Colombia, Peru, Mexico, India and the United States primarily due to increases in salary costs, an increase in the number of our IT professionals and the opening of new delivery centers. We expect that as our revenues grow, our cost of revenues will increase. Our goal is to increase revenue per head and thereby increase our gross profit margin.

Cost of revenues was \$802.1 million for 2021, representing an increase of \$292.3 million, or 57.3%, from \$509.8 million for 2020.

	Year ended December 31,					
	2021			2020		
	Amount	(in millions, except percentages)		Amount	Variation	
Main variations in cost of revenues						
Salaries, employee benefits and social security taxes	\$ (745.3)	56.4	%	\$ (476.5)	30.0	%
Professional services	\$ (24.0)	263.5	%	\$ (6.6)	48.6	%

The increase in salaries, employee benefits and social security taxes is primarily attributable to the net addition of 6,877 IT professionals since December 31, 2020, an increase of 45.0%, to satisfy growing demand for our services, which translated into an increase in salaries. The increase in professional services is mainly attributable to the increase in contractor services related to business growth and software subscriptions.

Cost of revenues as a percentage of revenues decreased to 61.8% for 2021 from 62.6% for 2020.

Selling, General and Administrative Expenses

Selling, general and administrative expenses represent expenses associated with promoting and selling our services and include such items as salary of our senior management, administrative personnel and sales and marketing personnel, infrastructure costs, legal and other professional services expenses, travel costs and other taxes. Included in salaries are base salary, incentive-based compensation, employee benefits costs and social security taxes.

Also included in selling, general, and administrative expenses is the portion of depreciation and amortization expense attributable to the portion of our property and equipment, right-of-use assets and intangible assets utilized in our sales and administration functions.

Selling, general and administrative expense was \$343.0 million for 2021, representing an increase of \$125.8 million, or 57.9%, from \$217.2 million for 2020.

	Year ended December 31,					
	2021			2020		
	(in millions, except percentages)					
	Amount	Variation		Amount	Variation	
Main variations in Selling, General and Administrative Expenses						
Salaries, employee benefits and social security taxes	\$ (139.3)	61.3 %		\$ (86.4)	25.5 %	
Share-based compensation expense	(38.8)	89.3 %		(20.5)	37.6 %	
Professional services	(30.9)	34.0 %		(23.1)	76.0 %	
Depreciation and amortization expense	(45.7)	116.9 %		(21.1)	24.7 %	
Recruiting, training and other employee expenses	(11.6)	163.7 %		(4.4)	90.9 %	
Promotional and marketing expenses	(10.3)	192.8 %		(3.5)	67.3 %	

The increase of salaries, employee benefits, social security taxes and share based compensation was primarily attributable to the addition of sales and management executives. There was also an increase of \$24.6 million in depreciation and amortization related mainly to the intangibles recognized for the business combinations made during 2021 and 2020. In addition, there was a \$7.8 million increase in professional services related to consulting tax matters and legal and audit fees, also increase in subscriptions and license expenses and the impact of the acquired companies during 2021. The increase of recruiting, training and other employee expenses is attributed to an increase in hirings during 2021, the launch of scholarships with Digital House, and the increase in employee benefit programs implemented during the second quarter of 2021, mainly in Argentina and Colombia. Finally, the increase in promotional and marketing expenses is mainly explained by expenses in marketing and publicity in Spain and the United States, and by an increase in special events mainly in the United States and Uruguay related with stands, events promotions and sponsorships and summits.

Selling, general and administrative expenses as a percentage of revenues decreased to 26.4% for 2021 from 26.7% for 2020. Share-based compensation expense within selling, general and administrative expenses accounted for \$38.8 million, or 3.0%, as a percentage of revenues for 2021, and \$20.5 million, or 2.5%, as a percentage of revenues for 2020.

Our selling, general and administrative expenses have increased primarily as a result of our expanding operations and the build-out of our senior and mid-level management teams to support our growth. We expect our selling, general and administrative expenses to continue to increase in absolute terms as our business expands. However, as a result of our management and infrastructure investments, we believe our platform is capable of supporting the expansion of our business without a proportionate increase in our selling, general and administrative expenses, resulting in gains in operating leverage.

Depreciation and Amortization Expense (included in "Cost of Revenues" and "Selling, General and Administrative Expenses")

Depreciation and amortization expense consists primarily of depreciation of our property and equipment (primarily leasehold improvements, servers and other equipment), depreciation of right-of-use assets (primarily office spaces and office equipment) and amortization of our intangible assets (mainly software licenses, acquired intangible assets and internal developments). We expect that depreciation and amortization expense will continue to increase as we open more delivery centers and client management locations.

Net impairment losses on financial assets

Net impairment losses on financial assets mainly include impairment of trade receivables, which represents an allowance for expected credit losses. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. During the years ended December 31, 2021 and 2020, we recorded a loss of \$7.6 million and \$3.1 million, respectively, related to the recognition of the allowance for expected credit losses.

The increase of the allowance for expected credit losses was mainly attributable to the updated expected credit loss rate used in our provision matrix based on our historical credit loss experience, adjusted for factors that are specific to debtors,

general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Finance Income

Finance income consists of interest gains on time deposits, financed customers and savings accounts. The decrease of finance income of \$1.9 million for the year ended December 31, 2020 to \$0.7 million for the year ended December 31, 2021 was primarily attributable to accrued interests for financed customers during 2020 that was not repeated in 2021.

Finance Expense

Finance expense includes the interests from borrowings, leases contracts, banking fees and other finance expenses. The increase of finance expense of \$10.4 million for the year ended December 31, 2020 to \$12.7 million for the year ended December 31, 2021 was due to an increase in interest on lease liabilities and other interests.

Other Financial Results, Net

Other financial results, net consists of foreign exchange gain or loss on monetary assets and liabilities denominated in currencies other than the U.S. dollar, gain or loss on transactions with bonds, interest rate swaps, foreign exchange forward contracts and future contracts, and mutual funds.

Other financial results, net decreased to a \$3.9 million loss for the year ended December 31, 2021 from a \$3.6 million gain for the year ended December 31, 2020, primarily reflecting a foreign exchange gain of \$3.9 million compared to a loss of \$2.9 million in 2020, a loss of \$8.5 million net related to losses from financial assets measured at fair value through profit or loss compared to a loss of \$3.4 million in 2020 and a gain on transactions with bonds of \$0.7 million compared to a gain of \$9.6 million in 2020.

Other Income and Expenses, Net

Other income and expenses, net decreased to a loss of \$3.4 million for the year ended December 31, 2021 from a loss of \$1.9 million for the year ended December 31, 2020. Such decrease is mainly explained by the remeasurement of contingent consideration related to the acquisition of Bluecap, GMR and Xappia.

Income Tax Expense

See "[Consolidated Financial Statements as of December 31, 2021 and December 31, 2020 and for each of the three years in the period ended December 31, 2021 — Summary of Significant Accounting Policies — Taxation — Current Income Tax](#)".

Income tax expense amounted to \$28.5 million for 2021, an increase of \$6.2 million from a \$22.3 million income tax expense for 2020. The increase in income tax expense was driven by the expansion of Globant business. Our effective tax rate (calculated as income tax gain or expense divided by the profit before income tax) decreased to 22.8% for 2021 from 29.2% for 2020, mainly explained by the impact of the weakness of some Latin American currencies against U.S. Dollars and due to changes in geographic distribution of earnings.

Net Income for the Year

As a result of the foregoing, we had a net income of \$96.4 million for 2021, compared to \$54.2 million for 2020.

2020 Compared to 2019

For discussion related to our financial condition, changes in financial condition, and the results of operations for 2020 compared to 2019, refer to Part I, Item 5. Operating and Financial Review and Prospects, in our Annual Report on Form 20-F for the fiscal year ended December 31, 2020, which was filed with the SEC on February 26, 2021.

Reconciliation of Non-IFRS Financial Data

Overview

To supplement our financial measures prepared in accordance with IFRS, we use certain non-IFRS financial measures including (i) adjusted diluted earnings per share ("EPS"), (ii) adjusted net income, (iii) adjusted gross profit, (iv) adjusted selling, general and administrative ("SG&A") expenses, and (v) adjusted profit from operations. These measures do not have any standardized meaning under IFRS, and other companies may use similarly titled non-IFRS financial measures that are calculated differently from the way we calculate such measures. Accordingly, our non-IFRS financial measures may not be comparable to similar non-IFRS measures presented by other companies. We caution investors not to place undue reliance on such non-IFRS measures, but instead to consider them with the most directly comparable IFRS measures. Non-IFRS financial measures have limitations as analytical tools and should not be considered in isolation. They should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with IFRS.

The reconciliations of these non-IFRS measures to the most directly comparable financial measures calculated and presented in accordance with IFRS are shown in the tables below. We use these non-IFRS measures in the evaluation of our performance and our consolidated financial results. We believe these non-IFRS measures may be useful to investors in their assessment of our operating performance and the valuation of our company. In addition, these non-IFRS measures address questions we routinely receive from analysts and investors and, in order to assure that all investors have access to similar data, we have determined that it is appropriate to make this data available to all investors.

Adjusted Gross Profit and Adjusted SG&A Expenses

We utilize non-IFRS measures of adjusted gross profit and adjusted SG&A expenses as supplemental measures for period-to-period comparisons. Adjusted gross profit and adjusted SG&A expenses are most directly comparable to the IFRS measures of gross profit and selling, general and administrative expenses, respectively. Our non-IFRS measures of adjusted gross profit and adjusted SG&A expenses exclude the impact of certain items, such as depreciation and amortization expense, share-based compensation expense and, only with respect to adjusted SG&A expenses, acquisition-related charges and COVID-19 related charges.

Adjusted Profit from Operations

We utilize the non-IFRS measure of adjusted profit from operations as a supplemental measure for period-to-period comparisons. Adjusted profit from operations is most directly comparable to the IFRS measure of profit from operations. Adjusted profit from operations excludes the impact of certain items, such as share-based compensation expense, impairment of non-financial assets, net of recoveries, acquisition-related charges and COVID-19 related charges.

Adjusted Diluted EPS and Adjusted Net Income

We utilize non-IFRS measures of adjusted diluted EPS and adjusted net income for strategic decision making, forecasting future results and evaluating current performance. Adjusted diluted EPS and adjusted net income are most directly comparable to the IFRS measures of EPS and net income, respectively. Our non-IFRS measures of adjusted diluted EPS and adjusted net income exclude the impact of certain items, such as acquisition-related charges, impairment of non-financial assets, net of recoveries, share-based compensation expense, COVID-19 related charges and the tax effects of non-IFRS adjustments.

	Year ended December 31,		
	2021	2020	2019
Reconciliation of adjusted gross profit			
Gross profit	\$ 494,988	\$ 304,327	\$ 254,161
Adjustments			
Depreciation and amortization expense	14,122	9,759	7,350
Share-based compensation expense	3,568	4,109	4,976
Adjusted gross profit	\$ 512,678	\$ 318,195	\$ 266,487
Reconciliation of adjusted selling, general and administrative expenses			
Selling, general and administrative expenses	\$ (343,004)	\$ (217,222)	\$ (172,478)
Adjustments			
Depreciation and amortization expense	48,796	22,691	16,905
Share-based compensation expense	35,831	20,519	14,912
Acquisition-related charges, net ⁽¹⁾	12,860	10,096	9,571
COVID-19 related charges ⁽²⁾	—	(613)	—
Adjusted selling, general and administrative expenses	\$ (245,517)	\$ (164,529)	\$ (131,090)
Reconciliation of adjusted profit from operations			
Profit from operations	\$ 144,433	\$ 83,942	\$ 80,735
Adjustments			
Share-based compensation expense	39,399	24,628	19,888
Impairment of tax credits	—	(8)	—
Acquisition-related charges, net ⁽¹⁾	28,271	12,754	10,695
COVID-19 related charges ⁽²⁾	2,228	2,582	—
Impairment of assets ⁽³⁾	—	83	673
Adjusted profit from operations	\$ 214,331	\$ 123,981	\$ 111,991
Reconciliation of adjusted net income for the year			
Net income for the year	\$ 96,065	\$ 54,217	\$ 54,015
Adjustments			
Share-based compensation expense	39,399	24,628	19,888
Impairment of tax credits	—	(8)	—
Acquisition-related charges, net ⁽¹⁾	35,465	15,796	11,518
COVID-19 related charges ⁽²⁾	2,228	2,582	—
Impairment of assets ⁽³⁾	—	83	673
Tax effects of non-IFRS adjustments ⁽⁴⁾	(14,748)	(6,712)	(5,443)
Adjusted net income for the year	\$ 158,409	\$ 90,586	\$ 80,651
Calculation of adjusted diluted EPS			
Adjusted net income	158,409	90,586	80,651
Diluted shares	42,076	39,717	37,674
Adjusted diluted EPS	3.76	2.28	2.14
Other data:			
Adjusted gross profit	512,678	318,195	266,487
Adjusted gross profit margin percentage	39.5 %	39.1 %	40.4 %
Adjusted selling, general and administrative expenses	(245,517)	(164,529)	(131,090)
Adjusted selling, general and administrative expenses margin percentage	(18.9)%	(20.2)%	(19.9)%
Adjusted profit from operations	214,331	123,981	111,991
Adjusted profit from operations margin percentage	16.5 %	15.2 %	17.0 %
Adjusted net income for the year	158,409	90,586	80,651
Adjusted net income margin percentage for the year ⁽⁴⁾	12.2 %	11.1 %	12.2 %

⁽¹⁾ Acquisition-related expenses include, when applicable, amortization of purchased intangible assets included in depreciation and amortization expense line on our consolidated statements of comprehensive income, external deal costs, acquisition-related retention bonuses, integration costs, changes in the fair value of contingent consideration liabilities, expenses for impairment of acquired intangible assets and other acquisition-related costs.

⁽²⁾ COVID-19 related expenses include, when applicable, bad debt provision related to the effect of the COVID-19 pandemic on our clients' businesses, donations and other expenses directly attributable to the pandemic that are both incremental to expenses incurred prior to the outbreak and not expected to recur once the crisis has subsided and operations return to normal and clearly separable from normal operations. Moreover, these expenses also include rent concessions that we were granted due to the pandemic environment.

⁽³⁾ Impairment of assets, net of recoveries includes, when applicable, charges for impairment of intangible assets, charges for impairment of investments in associates and charges for impairment of tax credits, net of recoveries.

⁽⁴⁾ Non-IFRS Adjusted net income and adjusted Diluted EPS for 2021, 2020 and 2019 reflect the tax impact of non-IFRS adjustments. Non-IFRS Adjusted net income and adjusted Diluted EPS for 2020 and 2019 previously presented were recast to conform to the current presentation.

B. Liquidity and Capital Resources

Capital Resources

Our primary sources of liquidity are cash flows from operating activities. For the year 2021, we derived 86.7% of our revenues from clients in North America and Latin America pursuant to contracts that are entered into by our subsidiaries located in the United States, Argentina, Chile, Mexico and Brazil.

Our primary cash needs are for capital expenditures (consisting of additions to property and equipment and to intangible assets) and working capital. We may also require cash to fund acquisitions of businesses.

Our primary working capital requirements are to finance our payroll-related liabilities during the period from delivery of our services through invoicing and collection of trade receivables from clients.

We incur capital expenditures to open new delivery centers, for improvements to existing delivery centers, for infrastructure-related investments and to acquire software licenses and internal developments.

Based on the above considerations, management is of the opinion that we have sufficient funds to meet our working capital and capital expenditure needs for at least the next twelve months from the date of this report. However, our future capital requirements may be materially different than those currently planned in our budgeting and forecasting activities and depend on many factors, including our rate of revenue growth, the expansion of our sales and marketing activities, the acquisition of other companies, global economic conditions and the retention of customers. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. The sale of additional equity would result in additional dilution to our shareholders, while the incurrence of debt financing would result in debt service obligations. Such debt instruments also could introduce covenants that might restrict our operations. We cannot assure you that we could obtain additional financing on favorable terms, or at all.

We will continue to invest in our subsidiaries. In the event of any repatriation of funds or declaration of dividends from our subsidiaries, there will be a tax effect because dividends from certain foreign subsidiaries are subject to taxes. See "[Additional Information — Taxation](#)".

The following table sets forth our historical capital expenditures for the years ended December 31, 2021 and 2020:

	Year ended December 31,	
	2021	2020
	(In thousands)	
Total fixed assets acquisitions	\$ 53,159	\$ 30,095
Total intangible assets acquisitions	52,449	75,021
Additions related to business combinations	(15,983)	(52,033)
Total Capital Expenditures	89,625	53,083

Investments

During 2020, we invested \$53.1 million in capital expenditures primarily made to complete our works on our delivery centers in Buenos Aires and Tandil, Argentina, Santiago, Chile, Medellin, Colombia and Guadalajara and Mexico City, Mexico, and to provide computer equipment for our delivery centers in Argentina, Mexico, Chile and Colombia. Additionally, we invested \$24.5 million in internal developments and acquired licenses.

During 2021, we invested \$89.6 million in capital expenditures primarily made to complete our works on our delivery centers in Buenos Aires and Tandil, Argentina, Bogota, Colombia, Pune, India, Minsk, Belarus and Madrid, Spain. Additionally, we invested \$38.2 million mainly in internal developments and acquired licenses.

Acquisitions

On July 31, 2020, we entered into an equity purchase agreement with the equityholders of Grupo ASSA Worldwide S.A., a Spanish stock company and certain of its affiliated entities (collectively, "Grupo ASSA"), pursuant to which we acquired all of the outstanding equity interests in Grupo ASSA. The transaction was simultaneously signed and closed. Grupo ASSA is a digital business consulting company with operations in Latin America, Europe, and the United States. The aggregate purchase price payable under the equity purchase agreement amounted to \$74.5 million. The fair value of the consideration recognized in our financial statements amounted to \$54.7 million, based on target achievements and price adjustments.

On October 21, 2020, we entered into a purchase agreement with the equity holders of Xappia S.R.L., an Argentine company, Xappia SpA, a Chilean company, and Xappia Brasil Servicios de Assessoria Empresarial LTDA., a Brazilian company, pursuant to which we agreed to purchase all of the outstanding equity interests in Xappia S.R.L. and Xappia SpA and certain rights, titles and interests of Xappia Brasil Servicios de Assessoria Empresarial LTDA. The transaction was closed on November 13, 2020. The purpose of the purchase was to increase the Salesforce delivery capabilities to our South American clients. The aggregate purchase price payable under the purchase agreement amounted to \$10 million. The fair value of the consideration recognized in our financial statements amounted to \$11.3 million, based on target achievements and price adjustments.

On November 9, 2020, we entered into an equity purchase agreement with the equity holders of Giant Monkey Robot, Inc., an American stock company, pursuant to which we purchased all of the outstanding interests in Giant Monkey Robot Inc. and its only subsidiary, Giant Monkey Robot SpA, a Chilean stock company. The transaction was simultaneously signed and closed. Giant Monkey Robot is mainly a game developing company, with experts in complex technology solutions and experienced in supporting and maintaining live operation games for several platforms. The aggregate purchase price payable under the equity purchase agreement amounted to \$9.5 million. The fair value of the consideration recognized in our financial statements amounted to \$9.7 million, based on target achievements and price adjustments.

On December 18, 2020, we entered into an equity purchase agreement with the equityholder of BlueCap Management Consulting S.L., a Spanish limited liability company ("BlueCap"), pursuant to which we acquired all of the outstanding equity interests in BlueCap. The transaction was simultaneously signed and closed. BlueCap provides leading financial institutions consulting services primarily related to strategic management of risk, capital and value. The aggregate purchase price payable under the equity purchase agreement amounted to €120 million. The fair value of the consideration recognized in our financial statements amounted to \$149.5 million, based on target achievements and price adjustments.

On February 28, 2021, we entered into a sale and purchase agreement with the equity holder of Cloudshiftgroup Limited, a limited liability company organized under the Law of England and Wales ("Cloudshift") pursuant to which we purchased the entire capital of Cloudshift. The transaction was simultaneously signed and closed. Cloudshift is a Salesforce platinum partner which provides Salesforce advisory and implementation services in the United Kingdom. The aggregate purchase price payable under the equity purchase agreement amounted to £34.5 million. The fair value of the consideration recognized in our financial statements amounted to \$48.9 million, based on target achievements and price adjustments.

On May 11, 2021, we entered into a sale and purchase agreement with the equity holder of Hybrido Worldwide, S.L., a limited liability company (sociedad limitada) organized under the Laws of Spain and certain of its affiliated entities (collectively, "Habitant") pursuant to which we purchased the entire outstanding capital of Habitant. The transaction was simultaneously signed and closed. The aggregate purchase price payable under the equity purchase agreement amounted to €17.4 million. The fair value of the consideration recognized in our financial statements amounted to \$22.2 million, based on target achievements and price adjustments.

On July 8, 2021, we entered into a sale and purchase agreement with the equity holder of Walmeric Soluciones S.L., a limited liability company (sociedad limitada) organized under the Laws of Spain ("Walmeric") pursuant to which we purchased the outstanding capital of Walmeric. The transaction was simultaneously signed and closed. Walmeric is a offers a multi-channel marketing platform focused on a lead to revenue management with strong B2B2C expertise. Their main product is the cloud based platform (SaaS) Delio, a complete lead management platform that helps companies track and qualify leads, discover their interests and contact them with all that information to convert them efficiently into sales. The aggregate purchase price payable under the equity purchase agreement amounted to €41.6 million. The fair value of the consideration recognized in our financial statements amounted to \$53.4 million, based on target achievements and price adjustments.

On October 5, 2021, we entered into a sales and purchase agreement with the equity holder of Atix Labs S.R.L., a limited liability company organized under the laws of Argentina, and Atix Labs LLC, a limited liability company organized under the laws of the State of Florida (collectively "AtixLabs") pursuant to which we purchased the outstanding capital of AtixLabs. The transaction was signed on September 22, 2021 and closed in October 5, 2021. AtixLabs is a Blockchain Company, specialized in building digital products that require Blockchain Implementation Partnered with RSK, IDB, Cardano Foundation and IBM. AtixLabs works with cryptofinance, fundraising, decentralized identity, tokens, traceability, DAOs, deep research and tools. The aggregate purchase price payable under the equity purchase agreement amounted to \$5.5 million. The fair value of the consideration recognized in our financial statements amounted to \$5.8 million, based on target achievements and price adjustments.

On November 30, 2021, we entered into a sale and purchase agreement with the equity holder of Navint Partners LLC, a limited liability company organized under the Laws of Delaware, with subsidiaries in United Kingdom, Holland, Canada and India (collectively "Navint") pursuant to which we purchased the outstanding capital of Navint. The transaction was signed on November 14, 2021, and closed on November 30, 2021. Navint is an advisory and technology firm that helps enterprise organizations drive growth and operational efficiency and helps business unlock value from investments in CPQ (Price Quote), Billing, Unified Commerce and Contract Lifecycle Management (CLM) on the Salesforce platform. The aggregate purchase price payable under the equity purchase agreement amounted to \$83.0 million. The fair value of the consideration recognized in our financial statements amounted to \$79.1 million, based on target achievements and price adjustments.

As of December 31, 2021, we had cash and cash equivalents and current investments of \$460.4 million.

Cash Flows

The following table summarizes our cash flows from operating, investing and financing activities for the periods indicated:

	For the year ended December 31,	
	2021	2020
Net cash provided by operating activities	\$ 178,974	\$ 99,872
Net cash used in investing activities	(272,880)	(124,015)
Net cash provided by financing activities	243,986	241,546
Cash and cash equivalents at beginning of the year	278,939	62,721
Cash and cash equivalents at end of the year	429,019	280,124
Net increase in Cash and cash equivalents at end of year	150,080	217,403

Operating Activities

Net cash provided by operating activities was generated primarily by profits before taxes adjusted for non-cash items, including depreciation and amortization expense, shared-based compensation expense and the effect of working capital changes.

Net cash provided by operating activities was \$179.0 million for the year ended December 31, 2021, as compared to net cash provided in operating activities of \$99.9 million for the year ended December 31, 2020. This increase of \$79.1 million in net cash provided by operating activities was primarily attributable to a \$116.0 million increase in profit before income tax expense adjusted for non-cash-items, a \$3.8 million decrease in working capital, a \$7.5 million decrease in the utilization of provision for contingencies and a \$25.6 million decrease in income tax payments.

Changes in working capital in the year ended December 31, 2021 consisted primarily of a \$93.0 million increase in trade receivables, a \$21.1 million increase in other receivables, a \$1.3 million increase in other assets, a \$10.9 million increase in trade payables, a \$4.6 million increase in tax liabilities, and \$66.7 million increase in payroll and social security taxes payable. The \$93.0 million increase in trade receivables reflects our revenue growth. The \$21.1 million increase in other receivables was mainly related to the increase in prepaid expenses, tax receivables and advances to suppliers. Payroll and social security taxes payable increased to \$184.5 million as of December 31, 2021 from \$111.9 million as of December 31, 2020, primarily as a result of the growth in our headcount in line with our expansion.

For discussion related to cash flows from operating activities during 2020 compared to 2019, refer to Part I, Item 5. Liquidity and Capital Resources, in our Annual Report on Form 20-F for the fiscal year ended December 31, 2020, which was filed with the SEC on February 26, 2021.

Investing Activities

Net cash of \$272.9 million was used in investing activities for the year ended December 31, 2021, as compared to \$124.0 million of net cash used in investing activities during the year ended December 31, 2020. During the year ended December 31, 2021, we invested \$13.0 million in mutual funds, sovereign bonds and commercial papers, we invested \$76.4 million in fixed and intangible assets, \$173.8 million in acquisition-related transactions, and we made payments of \$9.6 million related to future and forward contracts.

For discussion related to cash flows from investing activities during 2020 compared to 2019, refer to Part I, Item 5. Liquidity and Capital Resources, in our Annual Report on Form 20-F for the fiscal year ended December 31, 2020, which was filed with the SEC on February 26, 2021.

Financing Activities

Net cash of \$244.0 million was provided by financing activities for the year ended December 31, 2021, as compared to \$241.5 million of net cash provided by financing activities for the year ended December 31, 2020. During the year ended December 31, 2021, we received \$286.2 million in gross proceeds from the common share public offering in June, and \$1.7 million for the issuance of shares under our share-based compensation plan. Additionally, during the year ended December 31, 2021 we paid \$16.7 million net of borrowings, and \$27.2 million of lease liabilities.

For discussion related to cash flows from financing activities during 2020 compared to 2019, refer to Part I, Item 5. Liquidity and Capital Resources, in our Annual Report on Form 20-F for the fiscal year ended December 31, 2020, which was filed with the SEC on February 26, 2021.

Future Capital Requirements

Our ability to generate cash is subject to our performance, general economic conditions, industry trends and other factors. If our cash and cash equivalents and operating cash flow are insufficient to fund our future activities and requirements, we may need to raise additional funds through public or private equity or debt financing. If we issue equity securities in order to raise additional funds, substantial dilution to existing shareholders may occur. If we raise cash through the issuance of indebtedness, we may be subject to additional contractual restrictions on our business. We cannot assure you that we would be able to raise additional funds on favorable terms or at all.

On February 6, 2020, the Borrower, entered into the Second A&R Credit Agreement (as amended in October 2021), pursuant to which the Borrower may borrow (i) up to \$100 million in up to four borrowings on or prior to April 1, 2022 under a delayed-draw term loan facility and (ii) up to \$250 million under a revolving credit facility. In addition, the Borrower may request increases of the maximum amount available under the revolving facility in an aggregate amount not to exceed \$100 million. The maturity date of each of the facilities is February 5, 2025. Pursuant to the terms of the Second A&R Credit Agreement, interest on the loans extended thereunder shall accrue at a rate per annum equal to either (i) LIBOR plus 1.50%, or (ii) LIBOR plus 1.75%, determined based on the Borrower's Maximum Total Leverage Ratio (as defined in the Second A&R Credit Agreement). The Borrower's obligations under the Second A&R Credit Agreement are guaranteed by the Company and

its subsidiary Globant España S.A., and are secured by substantially all of the Borrower's now owned and after-acquired assets. The Second A&R Credit Agreement also contains certain customary negative and affirmative covenants, which compliance may limit our flexibility in operating our business and our ability to take actions that might be advantageous to us and our shareholders.

In response to the transition away from and discontinuation of LIBOR and other interest rate benchmarks, we have taken, and are continuing to take, necessary steps to proactively address the transition, including monitoring external developments, negotiating successor reference rates with relevant counterparties, planning for the circumstances where the transition results in a mismatch with the fallback reference rates used, and evaluating the potential impact on our financial results and condition.

Contractual Obligations

Set forth below is information concerning our fixed and determinable contractual obligations as of December 31, 2021 and the effect such obligations are expected to have on our liquidity and cash flows.

	Payments due by period (in thousands)				
	2022	2023	2024	Thereafter	Total
Trade payables	\$ 63,210	\$ 3,824	\$ 2,554	\$ 10	\$ 70,000
Borrowings	13,320	556	556	884	15,316
Lease liabilities	31,360	31,194	25,522	66,240	154,316
Other financial liabilities ⁽¹⁾	48,242	42,024	23,661	—	113,927
TOTAL	\$ 156,132	\$ 77,598	\$ 52,293	\$ 67,134	\$ 353,157

⁽¹⁾ Corresponds to liabilities related to business combinations See [note 26](#) to our audited consolidated financial statements.

Appropriation of Retained earnings under Subsidiaries' local Laws and restrictions on distribution of dividends by certain Subsidiaries

The ability of certain of our subsidiaries to pay dividends to us is subject to their satisfaction of requirements under local law to set aside a portion of their net income in each year to legal reserves, as well as subject to certain tax restrictions. Please refer to [note 31](#) of our audited consolidated financial statements for further information.

Equity Compensation Arrangements

On July 3, 2014, our board of directors and shareholders approved and adopted the 2014 Equity Incentive Plan, which was amended by our board of directors to increase the number of common shares that may be issued as stock awards from 1,666,667 to 3,666,667 on May 9, 2016, and from 3,666,667 to 5,666,667 on February 13, 2019. The 2014 Equity Incentive Plan was further amended by our board of directors on May 18, 2021 to reduce the number of common shares that may be issued as stock awards by 1,600,000 common shares, from 5,666,667 to 4,066,667.

From the date of the 2014 Equity Incentive Plan's adoption, we have granted to members of our senior management and certain other employees options to purchase common shares and restricted stock units ("RSUs"). On September 27, 2021, our compensation committee adopted and approved the granting of performance-based restricted stock units ("PRSUs") under the 2014 Equity Incentive Plan. Since that time, 40% of the awards granted under the 2014 Equity Incentive Plan were in the form of PRSUs tied to performance and 60% were in the form of RSUs tied to retention.

Each of our employee share options is exercisable for one of our common shares, and each of our RSUs and PRSUs will be settled, automatically upon its vesting, with one of our common shares. No amounts are paid or payable by the recipient upon receipt of an option, RSU or PRSU. Neither the options, nor the RSUs or PRSUs carry rights to dividends or voting rights. Options may be exercised at any time from the date of vesting to the date of their expiration (ten years after the grant date). Most of the options, RSUs and PRSUs under the plan were granted with a vesting period of four years, 25% becoming exercisable on each anniversary of the grant date. Share-based compensation expense for awards of equity instruments is determined based on the fair value of the awards as of the grant date. Fair value is calculated using the Black-Scholes option pricing model.

Under the terms of our 2014 Equity Incentive Plan, from its adoption until the date of this annual report, we have granted to members of our senior management and certain other employees 30,000 stock awards, options to purchase 2,251,372 common shares and 1,463,968 RSUs and PRSUs, net of any cancelled and/or forfeited awards.

There were 1,223,449, 1,521,988 and 1,676,498 outstanding stock options, RSUs and/or PRSUs as of December 31, 2021, 2020 and 2019, respectively. For 2021, 2020 and 2019, we recorded \$42.4 million, \$24.6 million and \$19.9 million of share-based compensation expense related to these share option and restricted stock unit agreements, respectively. For further discussion of the 2014 Equity Incentive Plan, see "Compensation—2014 Equity Incentive Plan".

On March 1, 2021, our board of directors adopted an Employee Stock Purchase Plan (the "ESPP") effective as of March 1, 2021. The purpose of the ESPP is to advance the interests of the Company and our shareholders by providing an incentive to attract, retain and reward our eligible employees and by motivating such persons to contribute to the growth and profitability of the Company. The ESPP provides such eligible employees with an opportunity to acquire a proprietary interest in the Company through the purchase of the Company's common shares payable by means of payroll deductions. As of the date of this annual report, we have delivered 7,453 common shares under the plan. For further discussion of the ESPP, see "Employees—2021 Employee Stock Purchase Plan".

In addition, on December 1, 2021, our compensation committee, as administrator, approved the granting of awards in the form of Stock-Equivalent Units ("SEUs") to be settled in cash or common shares, or a combination thereof, under the 2014 Equity Incentive Plan. The purpose of the granting awards in the form of SEUs is to provide an incentive to attract, retain and reward talent in the IT industry and to prompt such persons to contribute to the growth and profitability of the Company. Eligible employees will receive a grant of SEUs with a unit value equal to the market value of one common share of the Company, to be settled in cash or common shares of the Company. As of the date of this annual report we granted no SEUs. For further discussion of the SEUs, see "Employees—2021 Stock-Equivalent Units".

C. Research and Development, Patents and Licenses, etc.

See "[Information of the company - Business Overview — Intellectual Property.](#)"

D. Trend Information

See "[Operating Results — Factors Affecting Our Results of Operations.](#)"

Other than as disclosed in this report, we are not aware of any trends, uncertainties, demands, commitments, or events since December 31, 2021 that are reasonably likely to have a material adverse effect on our revenues, income, profitability, liquidity, or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Critical Accounting Estimates

See [note 4](#) to our audited consolidated financial statements for the year ended December 31, 2021.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Directors

The table below sets forth information concerning our directors as of February 10, 2022.

Name	Position	Age	Date of Appointment	Current Term Expiring at Annual Meeting of Shareholders to Be Held in Year
Martín Migoya	Chairman of the Board and Chief Executive Officer	53	April 2, 2021	2024
Martín Gonzalo Umaran	Director - Chief Corporate Development Officer & President for EMEA	53	April 3, 2020	2023
Guibert Andrés Englebienne	Director - President of Globant X and Globant Ventures - President for Latin America	55	April 3, 2020	2023
Francisco Álvarez-Demalde	Director	43	May 31, 2019	2022
Mario Eduardo Vázquez	Director	86	May 31, 2019	2022
Philip A. Odeen	Director	86	April 2, 2021	2024
Linda Rottenberg	Director	53	April 3, 2020	2023
Richard Haythornthwaite	Director	65	May 31, 2019	2024
Maria Pinelli	Director	59	April 2, 2021	2022

Directors may be re-elected for one or more terms of up to four-years. Directors appointed to fill vacancies remain in office until the next general meeting of shareholders.

Globant S.A. was incorporated in Luxembourg on December 10, 2012. References to the terms of service or appointment of our directors and senior management in the following biographies include their service to our predecessor companies, which were organized in Spain.

Martín Migoya

Mr. Migoya has served as Chairman of our board of directors and Chief Executive Officer since 2005. He founded our company together with Messrs. Englebienne, Nocetti and Umaran in 2003. Mr. Migoya is frequently invited to lecture at various conventions and at universities like MIT and Harvard, and has been a judge at the Endeavor Entrepreneurs panel and at La Red Innova. Mr. Migoya was selected as an Endeavor Entrepreneur in 2005 and won a Konex Award as one of the most innovative entrepreneurs of 2008. He was selected as an Argentine Creative Individual of 2009 (*Círculo de Creativos de la Argentina*) and received the Security Award as one of the most distinguished Argentine businessmen of 2009. He also received in 2009 the America Economía Magazine's "Excellence Award", which is given to entrepreneurs and executives that contribute to the growth of Latin American businesses. In 2011, Latin Trade recognized Mr. Migoya as Emerging CEO of the Year. In 2013, Mr. Migoya received the "Entrepreneur of the Year Award" from Ernst & Young. In 2019, he was named Top CEO of the Year at the 2019 CEO World Awards and CEO of the year by El Cronista Comercial (Argentina). He is a member of the Young President's Organization and a board member of Endeavor Argentina. Mr. Migoya holds a degree in electronic engineering from *Universidad Nacional de La Plata* (UNLP) and a master's degree in business administration, from the *Universidad del Centro de Estudios Macroeconómicos de Argentina*. He co-authored two books, "The Never Ending Digital Journey" and "Embracing the power of AI", where he shares his thoughts on how technology is changing the world and how brands need to adapt to lead this revolution. Since July 2021, Mr. Migoya is the Manager of Enigma.art LLC. We believe that Mr. Migoya is qualified to serve on our board of directors due to his intimate familiarity with our company and the perspective, experience, and operational expertise in the technology services industry that he has developed during his career and as our co-founder and Chief Executive Officer.

Martín Gonzalo Umaran

Mr. Umaran has served as a member of our board of directors since 2012. In 2021, Mr. Umaran was appointed as Chief Corporate Development Officer, responsible for incorporating acquired organizations into the Company as part of our global growth strategy. He has also been appointed president for EMEA, working side by side with our team in the EME region to achieve our growth plans. Mr. Umaran previously served as Chief of Staff from 2013 to 2021. As Globant's Chief of Staff, Mr. Umaran was responsible for coordinating our back office activities, supporting executives in daily projects and acting as a liaison to our senior management. He was also responsible for our mergers and acquisitions process and for strategic initiatives. From 2005 to 2012, he served as Globant's Chief Operations Officer and Chief Corporate Business Officer, in charge of managing our delivery teams and projects. Together with his three Globant co-founders, Mr. Umaran was selected as an Endeavor Entrepreneur in 2005. Mr. Umaran holds a degree in mechanical engineering from *Universidad Nacional de La Plata*.

(UNLP). We believe that Mr. Umaran is qualified to serve on our board of directors due to his intimate familiarity with our company and his perspective, experience, and operational expertise in the technology services industry that he has developed during his career as our co-founder and executive officer.

Guibert Andrés Englebienne

Mr. Englebienne has served as a member of our board of directors since 2003. In 2021, Mr. Englebienne became President of Globant X and Globant Ventures to help drive the success of these initiatives. He also was appointed President for Latin America, a role to provide strategic advice to our regional leadership. Mr. Englebienne previously served as our Chief Technology Officer from 2003 to 2021. He is one of Globant's co-founders. Prior to co-founding Globant, Mr. Englebienne worked as a scientific researcher at IBM and, later, as head of technology for CallNow.com Inc. As Globant's Chief Technology Officer, he oversees the technological development of Globant's diverse Studios, each a deep pocket of expertise with a focus on incorporating the latest trends to bring solutions to global companies. Together with his three Globant co-founders, Mr. Englebienne was selected as an Endeavor Entrepreneur in 2005. In addition to his responsibilities at Globant, Mr. Englebienne is President of Endeavor Argentina. In 2011, he was included in Globalization Today's "Powerful 25" list. Mr. Englebienne holds a bachelor's degree in Computer Science and Software Engineering from the Universidad Nacional del Centro de la Provincia de Buenos Aires in Argentina. We believe that Mr. Englebienne is qualified to serve on our board of directors due to his intimate familiarity with our company and his perspective, experience, and operational expertise in the technology services industry that he has developed during his career as our co-founder and executive officer.

Francisco Álvarez-Demalde

Francisco Álvarez-Demalde has served as a member of our board of directors since 2007. He is a Co-Founder and Managing Partner of Riverwood Capital, which invests in high-growth technology companies globally. Mr. Álvarez-Demalde has built the Riverwood Capital franchise and been involved in the scalability journey of several of Riverwood's portfolio companies. Prior to establishing Riverwood Capital, Mr. Álvarez-Demalde was an investment executive at Kohlberg Kravis Roberts & Co. (KKR), where he focused on private equity investments in the technology industry and other sectors, and with Eton Park and Goldman Sachs & Co. During his career, Mr. Álvarez-Demalde has led investments or been actively involved in the development, operations, and growth of several successful businesses across North America, Latin America, and other geographies. He earned a Licentiate (Honors) in Economics from San Andrés University, Argentina and participated in an exchange program at the Wharton School of Business. Mr. Álvarez-Demalde is a Director of GoIntegro, Greenhouse, Shiphero, and VTEX (NYSE: VTEX), and an investor, Board Advisor and/or former Director of several other companies, including 99, Alog Data Centers do Brasil, Billtrust (Nasdaq: BTRS), CloudBlue, Dock, Industrious, Insider, LAVCA, Mandic, MotionPoint, Navent, Nium, Pixeon, RD Station, Sensedia, SecurityScorecard, Suma, Technisys, among others. He is also active in non-profit initiatives related to education and a Global Ambassador for Endeavor. We believe that Mr. Álvarez-Demalde is qualified to serve on our board of directors due to his considerable business experience in the technology industry and his experience serving as a director of other companies.

Mario Eduardo Vázquez

Mr. Vázquez has served as a member of our board of directors and chairman of Globant's audit committee since June 2012. From 2003 to 2006, he served as the Chief Executive Officer of Grupo Telefónica in Argentina. Mr. Vázquez worked in auditing for Arthur Andersen for 33 years until his retirement in 1993, including 23 years as a partner and general director in many of Globant's markets, including Argentina, Chile, Uruguay, and Paraguay. As former partner and general director of Arthur Andersen, Mr. Vázquez has significant experience with U.S. GAAP accounting and in assessing internal control over financial reporting. Mr. Vázquez currently serves on the board of directors of MercadoLibre, Inc and is currently a member of the audit committee of both MercadoLibre, Inc and Despegar S.A. Also, Mr. Vázquez currently serves as member of the compensation committee of MercadoLibre, Inc. Mr. Vázquez served as a member of the board of directors of YPF, S.A. and as the president of the Audit Committee of YPF, S.A., until April 2012. He has also served as a member of the board of directors of Telefónica Argentina S.A., Telefónica Holding Argentina S.A., Telefónica Spain S.A., Banco Santander Río S.A., Banco Supervielle Societe General S.A., and CMF Banco S.A., and as alternate member of the board of directors of Telefónica de Chile S.A. Mr. Vázquez received a degree in public accounting from the *Universidad de Buenos Aires*. We believe that Mr. Vázquez is qualified to serve on our board of directors due to his financial expertise and his experience serving as a director of other companies.

Philip A. Odeen

Mr. Odeen has served as a member of our board of directors since 2012 and chairman of Globant's Compensation Committee since 2020. Mr. Odeen has also served as a proxy director of Leonardo DRS since 2013. He was a director of Booz Allen Hamilton from 2008 to 2019. From 2009 to 2013, Mr. Odeen served as the chairman of the board of directors and lead

independent director of AES Corporation, and as a director of AES Corporation from 2003 to 2013. From 2008 to 2013, Mr. Odeen served as the chairman of the board of directors of Convergys Corporation, and as a director of Convergys Corporation from 2000 to 2013. Mr. Odeen served as a director of each of QinetiQ North America, Inc. from 2006 to 2015, ASC Signal Corporation from 2009-2015, and Red Hawk from 2015-2018. From 2006 to 2007, Mr. Odeen served as chairman of the board of directors of Avaya Corporation and as a director from 2002 to 2007. He served on the board of directors of Reynolds and Reynolds Company from 2000 to 2007, and as its chairman from 2006 to 2007. Mr. Odeen was a director of Northrop Grumman from 2002 to 2008. Mr. Odeen served as chairman and Chief Executive Officer of TRW Inc., retiring from the position in December 2001. Additionally, Mr. Odeen served as Chief Executive Officer of BDM from 1992 to 1997. Prior to that he was a partner with Coopers & Lybrand from 1978 to 1992, and Vice Chairman of the Management Consulting practice from 1991 to 1992. Mr. Odeen has a Bachelor's Degree in Government from University of South Dakota, attended University of Liverpool, England as a Fulbright Scholar, and has a Master's Degree in Political Science from the University of Wisconsin. We believe that Mr. Odeen is qualified to serve on our board of directors due to his experience in leadership and guidance of public and private companies as a result of his varied global business, governmental and non-profit experience.

Linda Rottenberg

Ms. Rottenberg has served as a member of our board of directors since 2017 and chairman of Globant's Corporate Governance and Nominating Committee since 2020. She is the Co-Founder and Chief Executive Officer of Endeavor Global Inc., a leader of the global entrepreneurship movement, since 1997. With offices in 40 countries, 500 employees, and an unrivaled network, Endeavor Global Inc. rigorously identifies, selects, and scales the most innovative companies in emerging and underserved markets. Endeavor Entrepreneurs have collectively produced 4 million jobs and annually generates over \$27 billion in revenue. Ms. Rottenberg also oversees Endeavor Catalyst Funds, a pioneering co-investment fund that is widely recognized as a premier venture investor in Latin America, the Middle East, Southeast Asia, Africa, Europe, and the United States. Since launching in 2012, Endeavor Catalyst Funds has raised over \$250 million across three funds, made 160 investments across 30 countries, and realized 10 exits. Under Ms. Rottenberg's leadership, Endeavor Catalyst Fund has made investments in Latin America, including Globant S.A., Rappi (valued at more than \$3.5 billion), and Creditas (valued at \$1.75 billion), Europe/Middle East, including Peak Games (acquired by Zynga in \$1.8 billion) and Checkout.com (valued at more than \$15 billion), and Southeast Asia, including Bukalapak (valued at more than \$2.5 billion) and RUMA (acquired by Go-JEK). In addition to serving as a member of our board of directors, Ms. Rottenberg currently serves as a Director and Compensation Committee Chair to OLO, the leading SaaS-based food-ordering platform, and Reinvent Technology Partners Z, a SPAC formed by LinkedIn cofounder Reid Hoffman and Zynga founder Marc Pincus (NYSE: RTPZ-U). She formerly served as a Director and member of the Compensation Committee of ZAYO Group, an \$8.3 billion global bandwidth infrastructure company. She is a member of YPO, CFR, and the Yale President's Council on International Activities. Her 2014 book, "CRAZY IS A COMPLIMENT", became an instant New York Times bestseller. Ms. Rottenberg has been named "Innovator for the 21st Century" (TIME), "America's Best Leader" (U.S. News) and "Global Leader for Tomorrow" (World Economic Forum). She is the subject of four Harvard Business School and one Stanford GSB case studies. Other honors include: Silicon Valley Forum Visionary Award; Heinz Award; Babson College Honorary Doctorate of Humane Letters; Yale Law School Award of Merit. Ms. Rottenberg is a graduate of Harvard College and Yale Law School. We believe that Ms. Rottenberg is qualified to serve on our board of directors due to her knowledge and experience in the technology industry and experience serving as director of other companies.

Richard Haythornthwaite

Mr. Haythornthwaite has served as a member of our board of directors since February 2019. He served as the global chairman of the NYSE-listed Mastercard Inc. until December 31, 2020. Mr. Haythornthwaite is also Advisory Partner to Moelis & Co and chair of Ocado Plc; AA and Xynteo. He is a co-founder and chairman of QIO Technologies, an industrial artificial intelligence company. He is also an investor in and chairman of ARC International, the global glass tableware manufacturer. He was previously the CEO of Invensys from 2001-2005 and Blue Circle Industries from 1999-2001 having joined as Director of Asia and Europe in 1997. He spent his early career in BP from 1978-1995 before moving to Premier Oil as Commercial Director from 1995 to 1997. He has served as on the boards of Network Rail and Centrica Plc. as chairman and Cookson, Lafarge, ICI and Land Securities as non-executive director. In the UK non-for-profit sector he is the current chair of the Creative Industries Federation and former chair of the Southbank Centre and Almeida Theatre. He was educated at MIT (Sloan Fellow) and The Queen's College, Oxford (MA Geology). We believe that Mr. Haythornthwaite is qualified to serve on our board of directors due to his extensive business experience, risk management expertise and financial understanding.

Maria Pinelli

Ms. Pinelli has served as a member of our board of directors since April 2021 and our audit committee since August 2021. She currently serves on the board of directors of Archer Aviation, Inc (NYSE: ACHR) and Clarim Acquisition Corp. (NASDAQ: CLRMU). Previously, Ms. Pinelli served as Global Vice Chair of Ernst & Young LLP ("EY") from 2011 to 2017

and led EY's Global Strategic Growth Business unit with a focus on serving entrepreneurs and private and public companies poised for exponential growth. Ms. Pinelli led EY's efforts across all business sectors overseeing the Americas, Europe, Middle East, India, Africa, Asia Pacific and Japan, regions covering over 150 countries. During the same period, she also served as EY's Global IPO Leader, helping clients prepare for the public markets including IPO readiness, SOX compliance and how to manage stakeholder expectations. Prior to leading the global business of EY, Ms. Pinelli was EY's Director of Strategic Growth Markets for the Americas from 2006 to 2011. In this role, Ms. Pinelli led a team of over 5,000 professionals serving high growth private, pre-IPO companies, and public and private equity backed businesses. Following her role as Global Vice Chair, from 2018 to 2020, Ms. Pinelli led EY's Consumer Products and Retail sector based in the US Southeast. Ms. Pinelli is a qualified public accountant in Canada and the United Kingdom, and prior to her career at EY, was a lead client service partner serving significant clients in the technology, consumer and retail sectors. She has been involved in multiple IPOs and M&A strategic transactions over her career. Ms. Pinelli received her Bachelor of Commerce from McMaster University and completed executive programs at Harvard Business School and the Kellogg School of Management. Ms. Pinelli has also participated as a speaker at the Most Powerful Women Summit and G20 summits, and has been featured in the Wall Street Journal, Bloomberg, CNBC and Squawk Box. In addition, she was admitted to the Committee 200 and named to the list of Power 100 Women. Ms. Pinelli has also served as Chair of the Network for Teaching Entrepreneurship and a member of the World Economic Forum Global Growth Company Advisory Committee. We believe that Ms. Pinelli is well-qualified to serve as a director and financial expert due to her previous leadership roles, international business experience, financial acumen and extensive experience in advising growth companies.

Senior Management

As of February 11, 2022, our group senior management is made up of the following members:

Name	Position
Martín Migoya	Chief Executive Officer
Martín Gonzalo Umaran	Chief Corporate Development Officer - President for EMEA
Guibert Andrés Englebienne	President of Globant X and Globant Ventures - President for Latin America
Juan Ignacio Urthiague	Chief Financial Officer
Patricia Pomies	Chief Operating Officer
Yanina Maria Conti	Chief Accounting Officer
Gustavo Barreiro	Chief Information Officer
Wanda Weigert	Chief Brand Officer
Diego Tártara	Chief Technology Officer
Mercedes María Mac Pherson	Chief Talent & Diversity Officer
Patricio Pablo Rojo	General Counsel

The business address of our group senior management is c/o *Sistemas Globales Uruguay S.A.*, Paraguay 2141, 9th floor, Aguada Park, 11800, Montevideo, Uruguay.

The following is the biographical information of the members of our group senior management other than Messrs. Migoya, Umaran and Englebienne, whose biographical information is set forth in "— Directors."

Juan Ignacio Urthiague

Mr. Urthiague has been our Chief Financial Officer since October 2018 and is in charge of corporate finance, treasury, accounting and tax, financial reporting, financial services and investor relations. Mr. Urthiague joined Globant in 2011, and was a key member in the company's global expansion and transformation into a publicly listed company on the NYSE. Prior to his return to Globant, he spent 15 months outside the company serving as Chief Financial Officer Latam for OLX and as Chief Financial Officer for avantrip.com. Prior to joining Globant in 2011, Mr. Urthiague worked as Planning Manager for Amadeus IT Group in Spain and as Senior Credit Specialist in Merrill Lynch in Ireland and also held financial roles for companies like British American Tobacco, Ternium and IBM. Mr. Urthiague has a MSc. in Finance and Capital Markets from Dublin City University and Bachelor's degree in Business Administration from the *Universidad de Buenos Aires*.

Patricia Pomies

Mrs. Pomies has been our Chief Delivery Officer since January 2017 to 2021. In this role, Mrs. Pomies was in charge of our overall strategy related to quality of service and delivery. At the same time, recognizing the importance of Globers' well-

being, training and skill development, Mrs. Pomies was appointed as Chief Delivery and People Officer, expanding her responsibilities to include oversight of the People department of the company. Mrs. Pomies is an advocate for increasing the number of women in management positions, recognizing the gender gap in the tech industry. In addition, she was one of the architects behind Globant's Be Kind initiative, focusing on development areas in gender equality, technology ethics and renewable energy, among others. Mrs. Pomies first joined our company in 2012 and was previously a director of Europe, Middle East and Africa (EMEA) and on-line, insurance and travel (OIT), two of our main business units. As such, she was responsible for each unit's business and operations, with particular focus on expanding the EU market. In 2021, Mrs. Pomies was appointed as Chief Operating Officer, working on turning strategy into actionable goals for growth, helping to implement organization-wide goal setting, performance management, and annual operating planning. This role consolidates a comprehensive vision in which Delivery, People, Performance and Operations come together to ensure sustainable business growth. Mrs. Pomies was director at Educ.ar Portal from 2003 to 2013, a key initiative within Argentina's Ministry of Education for principals, teachers, students and families to adopt information and communication technologies in education. Additionally, she was responsible for content production and tracking of "Equality Connect," a program directly supported by the President of Argentina to distribute more than 3.5 million netbooks within the Argentine public education system. Mrs. Pomies has been a Professor of Social Communication at Maimonides University and Assistant Professor of Communication Sciences at the University of Buenos Aires.

Yanina Maria Conti

Mrs. Conti has been our Chief Accounting Officer since 2017. From 2013 until 2017, she served as our SEC Reporting and Audit Manager. From 2004 to 2013, Mrs. Conti worked for Ernst & Young, auditing large public and private firms and gaining experience with IFRS accounting and audit procedures. As our Chief Accounting Officer, Mrs. Conti is in charge of accounting, payroll, external audit and reporting. Mrs. Conti has a degree in public accounting and in business administration from the *Universidad de Buenos Aires*.

Gustavo Barreiro

Mr. Barreiro has been our Chief Information Officer since July 2012. Mr. Barreiro has served in various other positions, including our presales manager from April 2005 to April 2008, Business Controlling Manger from May 2008 to September 2010, and Executive Vice President, Delivery from 2010 to 2012. As Globant's Chief Information Officer, Mr. Barreiro is responsible for our infrastructure team (IT operations and information security), enterprise applications, and IT services. He holds a bachelor's degree in industrial engineering from the *Universidad de Buenos Aires* and a master's degree in business administration from the *Instituto para el Desarrollo Empresario Argentino (IDEA)*.

Wanda Weigert

Mrs. Weigert has been our Chief Brand Officer since November 2018. From 2007 to 2018, she served as our Communications Manager and Director of Communications and Marketing. She joined Globant in 2005 and worked for two years in the Internet marketing department as a senior consultant. From 2002 to 2005, she worked at Jota Group, a publishing house where she was responsible for the development of corporate communications tools for different multinational customers. Mrs. Weigert created and supervises Globant's communications department. As our Chief Brand Officer, she coordinates Globant's relationships with the press throughout the globe. She is also responsible for developing both our internal and external communications strategies. Mrs. Weigert holds a bachelor's degree in social communications from *Universidad Austral* and she completed her post-graduate studies in marketing at the *Pontificia Universidad Católica Argentina "Santa Maria de los Buenos Aires."*

Diego Tártara

Diego Tártara is our Chief Technology Officer and is in charge of overseeing our Studios and all technology offerings, including Business Hacking, and Adaptive Organizations. He has been with the Company since 2008, when he joined as a leader for a development group. Since then, he has held several management positions, including Technical Director, Studio Partner and CTO for Globant Studios. After he joined, he quickly took the Technical Director role for one of Globant's major account, a leading gaming company. He was then appointed as Studio Partner for Gaming, a position he held for over five years. He also run the IoT studio for a year and was part of the team that started the Discover studio before being appointed as CTO. Diego has more than 15 years of experience developing small, mid and large scale software. With strong background in desktop, embedded and backend development and love for C/C++, gaming and graphics.

Mercedes María Mac Pherson

Mercedes María Mac Pherson is currently serving as our Chief Talent & Diversity Officer. She has been working in the human resources function for 20 years. During her career at Globant, she has served as our Head of Talent Acquisition, Compensations, People Champions and People Latam Region. She previously worked as a Director and Recruiting Manager for

Leviminond Group, where she was responsible for the startup of a recruitment process outsourcing business unit covering the Argentine, Latin-American and U.S. markets. During that time, she led several recruiting projects working alongside the Ministry of Labor and several IT companies to recruit over 12,000 candidates nationwide in Argentina. She started her education at the University of Northern Colorado and ultimately majored in International Relations at Universidad del Salvador. Ms. Mac Pherson was also a teacher at Universidad de Palermo, where she taught the international program of Human Resources Management for the University of London.

Patricio Pablo Rojo

Mr. Rojo has been our General Counsel since October 2021. He has the overall responsibility of supervising Globant's Legal and Compliance department. He previously served in this role from 2013 to 2018. Prior to his return to Globant, he spent almost three years as our external counsel, assisting Globant with several transactions and critical initiatives. Prior to joining Globant in 2013, Mr. Rojo worked as a corporate and banking law associate at the law firm Marval O'Farrel & Mairal from 2002 to 2006 and from 2007 to 2013. Between 2006 and 2007, he was an International Associate at the New York office of Simpson, Thacher & Bartlett LLP. Pablo has a law degree from the Pontificia Universidad Católica Argentina "Santa María de los Buenos Aires" and has completed post-graduate studies in law and economics at Torcuato Di-Tella University.

B. Compensation

Compensation of Board of Directors and Senior Management

The total fixed and variable remuneration of our directors and senior management for the years ended December 31, 2021, 2020 and 2019 amounted to \$6.7 million, \$6.6 million and \$6.9 million, respectively.

We adopted an equity incentive plan in connection with the completion of our initial public offering. See "[Compensation — 2014 Equity Incentive Plan](#)" below for further information. On September 27, 2021, our compensation committee approved the granting of restricted stock units based on performance (RSUs) under the 2014 Equity Incentive Plan. See "[Liquidity and Capital Resources — Equity Compensation Arrangements](#)" above for further information.

From the adoption of this plan until the date of this annual report we granted to members of our senior management and certain other employees 30,000 stock awards, options to purchase 2,251,372 common shares and 1,463,968 RSUs and PRSUs, net of any cancelled and/or forfeited awards. In addition, we replaced our existing variable compensation arrangements with a new short-term incentive plan providing for the payment of bonuses based on the achievement of certain financial and operating performance measures.

2014 Equity Incentive Plan

On July 3, 2014, our board of directors and shareholders approved and adopted our 2014 Equity Incentive Plan, which was amended by our board of directors to increase the number of common shares that may be issued as stock awards from 1,666,667 to up to 3,666,667 on May 9, 2016, and from 3,666,667 to 5,666,667 on February 13, 2019. The 2014 Equity Incentive Plan was further amended by our board of directors on May 18, 2021 to reduce the number of common shares that may be issued as stock awards by 1,600,000 common shares from 5,666,667 to 4,066,667, in the aggregate, since the inception of the 2014 Equity Incentive Plan. As of the date of this annual report, the number of common shares available for issuance pursuant to existing and future Stock Awards is 321,327. The following description of the plan is qualified in its entirety by the full text of the plan, which has been filed with the SEC as an exhibit to the registration statement previously filed in connection with our initial public offering and incorporated by reference herein.

Purpose. We believe that the plan will promote our long-term growth and profitability by (i) providing key people with incentives to improve shareholder value and to contribute to our growth and financial success through their future services, and (ii) enabling us to attract, retain and reward the best-available personnel.

Eligibility; Types of Awards. Selected employees, officers, directors and other individuals providing bona fide services to us or any of our affiliates, are eligible for awards under the plan. The administrator of the plan may also grant awards to individuals in connection with hiring, recruiting or otherwise before the date the individual first performs services; however, those awards will not become vested or exercisable before the date the individual first performs services. The plan provides for grants of stock options, stock appreciation rights, restricted or unrestricted stock awards, RSUs, performance awards and other stock-based awards, or any combination of the foregoing.

Common Shares Subject to the Plan. The number of common shares that we may issue with respect to awards granted under the plan will not exceed an aggregate of 4,066,667 common shares. This limit will be adjusted to reflect any stock dividends, split ups, recapitalizations, mergers, consolidations, share exchanges, and similar transactions. If any award, or

portion of an award, under the plan expires or terminates unexercised, becomes unexercisable, is settled in cash without delivery of common shares, or is forfeited or otherwise terminated or cancelled as to any common shares, the common shares subject to such award will thereafter be available for further awards under the plan. Common shares used to pay the exercise price of an award or tax obligations will not be available again for other awards under the plan.

Administration. The plan is administered by our compensation committee. The administrator has the full authority and discretion to administer the plan and to take any action that is necessary or advisable in connection with the administration of the plan, including without limitation the authority and discretion to interpret and construe any provision of the plan or any agreement or other documents relating to the plan. The administrator's determinations will be final and conclusive.

Awards. The plan provides for grants of stock options, stock appreciation rights, restricted or unrestricted stock awards, RSUs, performance awards, and other stock-based awards.

Stock Options. The plan allows the administrator to grant incentive stock options, as that term is defined in section 422 of the Internal Revenue Code, or non-statutory stock options. Only our employees or employees of our subsidiaries may receive incentive stock option awards. Options must have an exercise price that is at least equal to the fair market value of the underlying common shares on the date of grant and not lower than the par value of the underlying common shares. The option holder may pay the exercise price in cash or by check, by tendering common shares, by a combination of cash and common shares, or by any other means that the administrator approves. The options have a maximum term of ten years; however, the options will expire earlier if the optionee's service relationship with the company terminates.

Stock Appreciation Rights. The plan allows the administrator to grant awards of stock appreciation rights which entitle the holder to receive a payment in cash, in common shares, or in a combination of both, having an aggregate value equal to the product of the excess of the fair market value on the exercise date of the underlying common shares over the base price of the common shares specified in the grant agreement, multiplied by the number of common shares specified in the award being exercised.

Stock Awards. The plan allows the administrator to grant awards denominated in common shares or other securities, stock equivalent units or RSUs, securities or debentures convertible into common shares or any combination of the foregoing, to eligible participants. Awards denominated in stock equivalent units will be credited to a bookkeeping reserve account solely for accounting purposes. The awards may be paid in cash, in common shares or in a combination of common shares or other securities and cash.

Performance Awards. The plan allows the administrator to grant performance awards including those intended to constitute "qualified performance-based compensation" within the meaning of Section 162(m) of the U.S. Internal Revenue Code. The administrator may establish performance goals relating to any of the following, as it may apply to an individual, one or more business units, divisions or subsidiaries, or on a company-wide basis, and in either absolute terms or relative to the performance of one or more comparable companies or an index covering multiple companies: revenue; earnings before interest, taxes, depreciation and amortization (EBITDA); operating income; pre- or after-tax income; cash flow; cash flow per share; net earnings; earnings per share; price-to-earnings ratio; return on equity; return on invested capital; return on assets; growth in assets; share price performance; economic value added; total shareholder return; improvement in or attainment of expense levels; improvement in or attainment of working capital levels; relative performance to a group of companies comparable to the company, and strategic business criteria consisting of one or more objectives based on the company's meeting specified goals relating to revenue, market penetration, business expansion, costs or acquisitions or divestitures. Performance targets may include minimum, maximum, intermediate and target levels of performance, with the size of the performance-based stock award or the lapse of restrictions with respect thereto based on the level attained.

A performance target may be stated as an absolute value or as a value determined relative to prior performance, one or more indexes, budget, one or more peer group companies, any other standard selected by the administrator, or any combination thereof. The administrator shall be authorized to make adjustments in the method of calculating attainment of performance measures and performance targets in recognition of: (A) extraordinary or non-recurring items; (B) changes in tax laws; (C) changes in accounting policies; (D) charges related to restructured or discontinued operations; (E) restatement of prior period financial results; and (F) any other unusual, non-recurring gain or loss that is separately identified and quantified in our financial statements. Notwithstanding the foregoing, the administrator may, in its sole discretion, modify the performance results upon which awards are based under the plan to offset any unintended results arising from events not anticipated when the performance measures and performance targets were established.

Change in Control. In the event of any transaction resulting in a "change in control" of Globant S.A. (as defined in the plan), outstanding stock options and other awards that are payable in or convertible into our common shares will terminate upon the effective time of the change in control unless provision is made in connection with the transaction for the continuation,

assumption, or substitution of the awards by the surviving or successor entity or its parent. In the event of such termination, the holders of stock options and other awards under the plan will be permitted immediately before the change in control to exercise or convert all portions of such stock options or awards that are exercisable or convertible or which become exercisable or convertible upon or prior to the effective time of the change in control.

Notwithstanding the foregoing, our compensation committee approved the acceleration of the vesting schedule of all of the outstanding Awards granted to certain senior executives in the event of a change in control (a) to be vested in three equal installments immediately prior to, or concurrently with, the change in control, and on the 6th and 12th month anniversaries from the change in control completion date, subject to continuation as employee; (b) to be vested immediately if the senior executive is terminated without cause or resigns with good reason during the first year following the change in control completion date; and (c) to be vested immediately prior to, and contingent upon, the change in control completion, if the executive has been dismissed without cause or has resigned with good reason at any time from the date the Company was made aware of the potential change in control, and such change in control occurs within the 6 months following the executive's dismissal without cause or resignation with good reason.

Amendment and Termination. No award will be granted under the plan after the close of business on the day before the tenth anniversary of the effective date of the plan. Our board of directors may amend or terminate the plan at any time. Shareholder approval is required to reprice underwater options.

Director Compensation

Only those directors who are considered to be independent directors under the corporate governance rules of the NYSE are eligible, subject to our shareholders' approval, to receive compensation from us for their service on our board of directors. In this respect, independent members of our board of directors are eligible to receive cash and/or share based compensation for their services as directors, as well as reimbursement of reasonable and documented costs and expenses incurred by them in connection with attending any meetings of our board of directors or any committees thereof.

During 2021, we paid an aggregate cash compensation of 550,000 and we granted a total of 1,734 RSUs to certain independent members of our board of directors, all of which had been previously approved by our shareholders at our 2021 annual general meeting.

Members of our senior management who are members of our board of directors (Messrs. Migoya, Umaran and Englebienne) will not receive compensation from us for their service on our board of directors, but have received and will continue receiving cash compensation and share based compensation for their services as executive officers. See "[Compensation — Compensation of Board of Directors and Senior Management](#)."

Benefits upon Termination of Employment

Neither we nor our subsidiaries maintain any directors' service contracts providing for benefits upon termination of service. On December 27, 2012, we entered into noncompetition agreements with our founders. Under such agreements, as amended in 2016, the founders agreed that during their employment with us, and for a period of two years from the termination of such employment, they will not directly or indirectly perform any kind of activity or provide any service in other companies that provide the same kinds of services as those provided by us. In consideration of these noncompetition covenants, the founders Messrs. Martín Umaran, Guibert Englebienne and Néstor Nocetti will receive a compensation equal to 24 times the highest monthly compensation paid to them (including the proportional amount of any variable annual cash compensation payable to each of them, at target amounts) during the 12-month period immediately preceding the date of termination of their employment, and Mr. Martín Migoya will receive a compensation equal to 36 times the highest monthly compensation paid to him (including the proportional amount of any variable annual cash compensation payable to him, at target amounts) during the 12-month period immediately preceding the date of termination of his employment. This compensation will be paid in two equal installments. In 2016, our compensation committee also approved that each founder will be entitled to receive continued health coverage and life insurance after the termination of their employment and for a period of 36 months in the case of Martín Migoya and of 24 months in the case of Messrs. Umaran, Englebienne and Nocetti.

In October 2021, our compensation committee approved an amendment to certain of our senior executives' noncompetition agreements to include in the calculation of their respective compensation the cash equivalent to their non-cash compensation. As a result, their noncompetition compensation will be equal to their full cash and non-cash compensations, and their agreements will include a non-interference covenant for a period of two years from the termination of their employment and a non-disparagement covenant. The compensation committee also approved the entrance into noncompetition agreements with other senior executives.

Pension, Retirement or Similar Benefits

We do not pay or set aside any amounts for pension, retirement or other similar benefits for our officers or directors.

C. Board Practices

Globant S.A. is managed by our board of directors which is vested with the broadest powers to take any actions necessary or useful to fulfill our corporate purpose with the exception of actions reserved by law or our articles of association to the general meeting of shareholders. Our articles of association provide that our board of directors must consist of at least seven members and no more than fifteen members. Our board of directors meets as often as company interests require.

A majority of the members of our board of directors present or represented at a board meeting constitutes a quorum, and resolutions are adopted by the simple majority vote of our board members present or represented. In the case of a tie, the chairman of our board shall have the deciding vote. Our board of directors may also make decisions by means of resolutions in writing signed by all directors.

Directors are elected by the general meeting of shareholders, and appointed for a period of up to four years; provided, however, that directors are elected on a staggered basis, with one-third of the directors being elected each year; and provided, further, that such term may be exceeded by a period up to the annual general meeting held following the fourth anniversary of the appointment, and each director will hold office until his or her successor is elected. The general shareholders meeting may remove one or more directors at any time, without cause and without prior notice by a resolution passed by simple majority vote. If our board of directors has a vacancy, such vacancy may be filled on a temporary basis by a person designated by the remaining members of our board of directors until the next general meeting of shareholders, which will resolve on a permanent appointment. Any director shall be eligible for re-election indefinitely.

Within the limits provided for by law and our articles of association, our board of directors may delegate to one or more directors or to any one or more persons, who need not be shareholders, acting alone or jointly, the daily management of Globant S.A. and the authority to represent us in connection with such daily management. Our board of directors may also grant special powers to any person(s) acting alone or jointly with others as agent of Globant S.A.

Our board of directors may establish one or more committees, including without limitation, an audit committee, a corporate governance and nominating committee and a compensation committee, and for which it shall, if one or more of such committees are set up, appoint the members, determine the purpose, powers and authorities as well as the procedures and such other rules as may be applicable thereto.

No contract or other transaction between us and any other company or firm shall be affected or invalidated by the fact that any one or more of our directors or officers is interested in, or is a director, associate, officer, agent, adviser or employee of such other company or firm. Any director or officer who serves as a director, officer or employee or otherwise of any company or firm with which we shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm only, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

Any director having an interest in a transaction submitted for approval to our board of directors that conflicts with our interest, must inform our board of directors thereof and to cause a record of his statement to be included in the minutes of the meeting. Such director may not take part in these deliberations and may not vote on the relevant transaction. At the next general meeting, before any resolution is put to a vote, a special report shall be made on any transactions in which any of the directors may have had an interest that conflicts with our interest.

No shareholding qualification for directors is required.

Any director and other officer, past and present, is entitled to indemnification from us to the fullest extent permitted by law against liability and all expenses reasonably incurred or paid by such director in connection with any claim, action, suit or proceeding in which he is involved as a party or otherwise by virtue of his being or having been a director. We may purchase and maintain insurance for any director or other officer against any such liability.

No indemnification shall be provided against any liability to our directors or executive officers by reason of willful misconduct, bad faith, gross negligence or reckless disregard of the duties of a director or officer. No indemnification will be provided with respect to any matter as to which the director or officer shall have been finally adjudicated to have acted in bad faith and not in our interest, nor will indemnification be provided in the event of a settlement (unless approved by a court or our board of directors).

Board Committees

Our board of directors has established an audit committee, a compensation committee and a corporate governance and nominating committee. Our board of directors may from time to time establish other committees.

Audit Committee

Our audit committee oversees our corporate accounting and financial reporting process. Among other matters, our audit committee:

- is responsible for the appointment, compensation and retention of our independent auditors and reviews and evaluates the auditors' qualifications, independence and performance;
- oversees our auditors' audit work and reviews and pre-approves all audit and non-audit services that may be performed by them;
- reviews and approves the planned scope of our annual audit;
- monitors the rotation of partners of the independent auditors on our engagement team as required by law;
- reviews our financial statements and discusses with management and our independent auditors the results of the annual audit and the review of our quarterly financial statements;
- reviews our critical accounting policies and estimates;
- oversees the adequacy of our accounting and financial controls;
- annually reviews the audit committee charter and the committee's performance;
- reviews and approves related-party transactions; and
- establishes and oversees procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters and oversees enforcement, compliance and remedial measures under our code of conduct.

The current members of our audit committee are Ms. Pinelli and Messrs. Odeen and Vázquez, with Mr. Vázquez serving as the chairman of our audit committee and our audit committee financial expert as currently defined under applicable SEC rules. Each of Messrs. Vázquez and Odeen and Ms. Pinelli satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE as well as under Rule 10A-3 under the Exchange Act.

On May 13, 2014, our board of directors adopted a written charter for our audit committee, which is available on our website at <http://www.globant.com>.

Compensation Committee

Our compensation committee reviews, recommends and approves policy relating to compensation and benefits of our officers and directors, administers our common shares option and benefit plans and reviews general policy relating to compensation and benefits. Duties of our compensation committee include:

- reviewing and approving corporate goals and objectives relevant to compensation of our directors, chief executive officer and other members of senior management;
- evaluating the performance of the chief executive officer and other members of senior management in light of those goals and objectives;
- based on this evaluation, determining and approving the compensation of the chief executive officer and other members of senior management;
- administering the issuance of common shares options and other awards to members of senior management and directors under our compensation plans; and
- reviewing and evaluating, at least annually, the performance of the compensation committee and its members, including compliance of the compensation committee with its charter.

The current members of our compensation committee are Messrs. Odeen, Vázquez and Haythornthwaite, with Mr. Odeen serving as chairman. Each of Messrs. Odeen, Vázquez and Haythornthwaite satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE.

Effective as of July 23, 2014, our board of directors adopted a written charter for our compensation committee, which is available on our website at <http://www.globant.com>.

Corporate Governance and Nominating Committee

Our corporate governance and nominating committee identifies individuals qualified to become directors; recommends to our board of directors director nominees for each election of directors; develops and recommends to our board of directors criteria for selecting qualified director candidates; considers committee member qualifications, appointment and removal; recommends corporate governance guidelines applicable to us; and provides oversight in the evaluation of our board of directors and each committee.

The current members of our corporate governance and nominating committee are Ms. Rottenberg and Messrs. Alvarez-Demalde and Haythornthwaite, with Ms. Rottenberg serving as chairman. Each of Ms. Rottenberg and Messrs. Alvarez-Demalde and Haythornthwaite satisfies the “independence” requirements within the meaning of Section 303A of the corporate governance rules of the NYSE.

Effective as of July 23, 2014, our board of directors adopted a written charter for our corporate governance and nominating committee. In November 2021, our corporate governance and nominating committee approved an amendment to its charter intended to enhance our corporate governance practices, including, among others, a broader view of diversity in our board nominees selection process, an increased emphasis on attracting and/or retaining director nominees with certain specific skills and diverse experience, and the enhancement of our environmental, social and governance performance. Our corporate governance and nominating committee’s charter, as amended, is available on our website at <http://www.globant.com>.

D. Employees

Our Globers

People are one of our most valuable assets. Attracting and retaining the right employees is critical to the success of our business and is a key factor in our ability to meet our client’s needs and the growth of our client and revenue base.

As of December 31, 2021, 2020 and 2019, on a consolidated basis, we had 23,526, 16,251 and 11,855 employees, respectively.

As of December 31, 2021, we had 109 Globers, principally at our delivery centers in Rosario, City of Buenos Aires and Mendoza, in Argentina, covered by a collective bargaining agreement with the trade union Federación Argentina de Empleados de Comercio y Servicios (“FAECYS”), which is renewed on an annual basis. In addition, the Globers from our Brazilian payroll are affiliated with the trade union SINDPD-SP, the Globers from our Spanish payroll are affiliated with the trade unions UGT y CCOO - Oficinas y Despachos de la Comunidad de Madrid, and the Globers from our French payroll are affiliated to the trade union Fédération Syntec.

The following tables show our total number of full-time employees as of December 31, 2021 broken down by functional area and geographical location:

	Number of employees
Technology	20,707
Operations	1,460
Sales and Marketing	220
Management and administration	1,139
Total	23,526

	Number of employees
Argentina	5,369
Brazil	708
Colombia	5,314
Chile	1,278
United Kingdom	175
Uruguay	1,013
United States	709
Mexico	3,236
Peru	1,272
India	3,518
Spain	534
Belarus	203
Romania	164
France	6
Canada	9
Luxembourg	1
Costa Rica	11
Germany	6
Total	23,526

In 2007, we started shifting from a Buenos Aires-centric delivery model to a distributed organization with locations across Argentina, Latin America, Europe, Asia, and elsewhere. We believe that decentralizing our workforce and delivery centers improves our access to talent and could mitigate the impact of IT professionals' attrition on our business. Additionally, we provide employees with more choices of where to work, which improves satisfaction and helps us retain our Globers. We continue to draw talent primarily from Latin America and Asia's abundantly skilled talent base.

We believe our relations with our employees are good and we have not experienced any significant labor disputes or work stoppages.

Recruitment

We have a global presence with delivery centers in North America, Latin America, Europe, and Asia. Our de-centralization strategy allows us to expand and diversify our sources of talent in our development centers all over the world.

Our offices are located near regional academic and engineering hubs to facilitate our access to a growing talent base. In the case of Latin America, certain of the top universities from the region are located in cities where we have delivery centers with large operations. We work closely with those colleges, as well as non-governmental organizations, tech clusters and professional organizations to nurture the technological ecosystem and create opportunities for growth for both Globant and our current and prospective Globers, through meetups, conferences, bootcamps and recruiting events.

Attraction

We seek employees who are motivated to be part of a leading company that uses the latest technologies in the digital and cognitive field to transform organizations in every aspect.

Of our employee base, approximately 74.9% of our Globers have obtained a university degree and 22.2% are undergoing university-level studies while they are employed by our company. Approximately 2.9% have obtained a postgraduate level degree, and many have specialized industry credentials or licensing, including in systems engineering, electronic engineering, computer science, information systems administration, business administration and graphic and web design.

Since our inception, we believe we have become a unique player for talent in the countries where we have operations. Our culture is the foundation that supports and facilitates our distinctive approach.

This culture can be best described as entrepreneurial, collaborative, flexible, diverse and inclusive. Diversity and Inclusion are key to our business. Technology requires us to innovate constantly, and there is no way to innovate if we do not connect different points of view. This is why we strive to find talent in diverse places and walks of life, and why we launched several initiatives to strengthen our diversity.

Globant was named a Best Company for Women, Culture and Diversity in 2019 and 2018, and listed as one of the top 25 best companies for diversity in 2017 by Comparably.com.

Employee retention is one of our main priorities and a key driver of operational efficiency and productivity. We seek to retain top talent by providing the opportunity to work on cutting-edge projects for world-class clients, a flexible work environment, training and development programs, and non-traditional benefits. The total attrition rate among our Globers was 18.7%, 13.0% and 14.6% for the years ended December 31, 2021, 2020 and 2019, respectively.

Learning and Development

In 2021, we took our culture of continuous career development to the next level. Globant University became a digital ecosystem that promotes growth in the company through our Delta Formula: Explore + Educate + Expose = Movement. This is the official essence of career development and growth at Globant. We invite Globers to know about their career challenges, we offer diverse learning experiences so that each person can learn at their own pace, and we encourage continuous feedback to keep always improving. It includes three main tools: My Growth, Campus and BetterMe and a full list of programs and processes that accompany Globers on their journeys at Globant.

Explore: MyGrowth is the main place where Globers can manage and track their job position, areas of expertise and explore new knowledge based on career opportunities in a gamified way based on badges and missions. It gives Globers the possibility to understand the skills needed to master different specialties related to reinvent the industry and set up actions with their leaders to develop them.

Educate: In a complementary way, Campus is the main learning tool where Globers can find learning maps (repositories of different learning opportunities such as articles, videos, external courses and more) to learn in the flow of work. It also offers a catalogue with live sessions, self-paced training and evaluations to challenge their skills. We offer +1400 courses and +3500 learning resources created and/or selected by Globers.

Since Campus is working as a learning hub, the whole company can access the opportunities of the main programs at Globant to develop different skills (technical and soft skills) and also some corporate training and other self-paced resources to learn about internal processes. We dedicate significant resources to the development and professional growth of our employees through learning experiences.

For technical skills: Short training programs, called Academies, focused on gaining new skills (reskilling) or upgrading the ones previously acquired (upskilling); self-paced online courses on Campus, Udemy for Business and learning maps aligned to technical careers. We also develop specific technical programs Bootcamps programs focus on selecting, training and hiring talented collaborators.

For soft and communication skills Globers can take different courses and learning maps available and Campus. Towards the language program, we continued with English workshops for our Globers.

All these programs are developed and updated through our Learning Community: a group of committed, generous and technical experts. We encourage spaces to share experiences, connect with others with the same interests and provide the resources to deliver the best learning experiences at Globant.

Expose: BetterMe is the tool that accompanies our Performance Management process which main objective is to promote meaningful conversations that empower and enhance Globber's development. This Continuous Feedback and Evaluation Process, based on our Talent Manifesto is driven in a Globber centric way to impact on career decisions (such as promotions or recognitions, etc.).

As we mentioned before, we work to provide Globers with autonomy to grow by capitalizing new and different opportunities through our five professional growth dimensions:

- **Geocultural diversity:** We encourage our Globers to work in a location of their choosing and embrace cultural exchanges. We are present in 18 countries, with open positions and relocation opportunities. Plus, we encourage Globers to embrace cultural diversity working on projects with team members from different cities.

- **Technology:** Our studios consolidate expertise around a variety of emerging technologies where our Globers can develop, explore and learn.
- **Industry expertise:** We work with many clients across different industries, which enables our Globers to develop their careers with an industry focus within a given account or on multiple accounts of their industry of choice.
- **Multiple industries:** We have approximately 800 clients spanning several different industries. Our Globers may pursue industry agnostic career paths or switch to different industries of focus.
- **Specialty:** Globers can navigate their career paths within our company by gaining seniority or moving internally into other roles in different areas of expertise.

To boost this Movement, we also run a Continuous Promotions program where Globers upgrade their job position (e.g. Sr. to Sr.).

In order to share with Globers real experiences of success at career development we host local sessions of “Growth at Globant” Talks, where Globers let others know their stories

We are working really hard looking for innovation and seeking reinvention in growth processes, career opportunities and learning programs under our great brand Globant University.

Last but not least, Leaders are a key cornerstone to boost this entire career development framework. A leader at Globant guides and promotes the growth of his team and the business by reinventing the industry and the world connecting, living and augmenting our culture.

To help them achieve this purpose, we design and develop different initiatives under our Leadership Accelerator Program (LeAP). It is based on our customized Leadership Talent Model to strengthen leadership skills in order to lead themselves, teams and business through initiatives also aligned to the delta formula applied for leaders.

Educate: Augmented Leadership, a full learning experience with simulations, tools, inspirational exercises and more to impact mindsets and practices. Also, At Campus the Leadership Journey Map was developed with plenty of new resources to explore to share tools, inspirational talks and many other training sessions to learn in a self-paced way.

Expose: Feedback for leaders, a process where each team member gives anonymous feedback to his/her leader based on talent manifesto skills.

Explore: a new Leadership Working Ecosystem is available to map the skills needed to rock as a leader and explore new and different ways to develop skills.

We also designed a new edition of the Key Talent Program to recognize and accompany our most committed and talented leaders and we continued boosting our Leadership Development Plan to enhance leadership skills with an identified room for improvement based on what their teams share in the Feedback for Leaders evaluation process.

We keep reinventing new ways and initiatives to empowering leadership stories generating sustainability of the reinvention of our industry through leaders that connect themselves, businesses, people and teams with innovation, team playing, kindness and excellence.

Compensation

We offer our Globers a compensation package consisting of base salary, Short Term Bonus, long term incentives (for certain eligible positions) and fringe benefits. The variable component of our compensation package is intended to strengthen our values and culture, foster employee improvement and development, and align with our business strategy to pay for performance and development. Based on the Globber's position, bonus payments under the short term incentive plan are contingent on the accomplishment of key metrics, such as performance results, manager feedback and Globant's results. For key employees, we offer a long term incentive program in the form of share based compensation.

We offer several benefits including subsidized company trips, extended maternity and paternity leaves, health plans for Globers (and in some countries, for the Globber's family), yoga, relaxation and massage sessions, and corporate discount programs at certain universities and gyms, among others.

2021 Employee Stock Purchase Plan

General

On March 1, 2021, our ESPP became effective. The purpose of the ESPP is to advance the interests of the Company and our shareholders by providing an incentive to attract, retain and reward our eligible employees and by motivating such persons to contribute to the growth and profitability of the Company. The Plan provides such eligible employees with an opportunity to acquire a proprietary interest in the Company through the purchase of the Company's common shares.

The ESPP is comprised of the Section 423 ESPP and the Non-423 ESPP. The Company intends that the Section 423 ESPP qualify as an "employee stock purchase plan" under Section 423 of the Code (including any amendments or replacements of such section), and the Section 423 ESPP shall be so construed. The Non-423 ESPP, which is not intended to qualify as an "employee stock purchase plan" under Section 423 of the Code, is intended to provide eligible employees employed by non-U.S. subsidiaries with an opportunity to purchase common shares pursuant to the terms and conditions of the ESPP but not necessarily in compliance with the requirements of Section 423 of the Code.

Eligible employees will be allowed to participate in the ESPP with a limit of \$25,000 investment per employee per calendar year.

Common Shares Subject to the ESPP

Subject to adjustment as provided in the ESPP, the maximum aggregate number of common shares issuable under the ESPP shall be 100,000 common shares (the "Initial Total Share Pool"), of which 30,000 common shares (the "Initial 423 Pool") shall be the maximum aggregate number of common shares that may be issued under the Section 423 ESPP. Thereafter, such maximum number of common shares that may be issued under the ESPP shall be cumulatively increased on a pro rata basis, such that the ratio of the Initial Total Share Pool and the Initial 423 Pool remains unchanged, automatically on January 1, 2022 and on each subsequent January 1, through and including January 1, 2031, by a number of common shares (the "Annual Increase") equal to the smallest of (a) 0.005 (0.5%) of the number of common shares issued and outstanding on the immediately preceding December 31, (b) 200,000 common shares, or (c) an amount determined by our board of directors; such that the number of common shares that may be issued in any case under the ESPP shall not exceed 2,100,000 common shares, of which 630,000 shall be the maximum aggregate number that may be issued under the Section 423 ESPP.

Common shares issued under the ESPP may consist of common shares reacquired in open market purchases. The Company intends to adopt a 10b5-1 plan in furtherance of such share repurchases. Such repurchases would be executed by our board of directors pursuant to the authorization granted by the general meeting of shareholders of the Company on May 31, 2019, according to the conditions set forth in article 430-15 of Luxembourg law of 10 August 1915 on commercial companies, as amended (the "Companies Law").

Pursuant to such authorization, our board of directors may repurchase up to a maximum number of shares representing 20% of the issued share capital for a net purchase price that is (i) no less than 50% of the lowest stock price and (ii) no more than 50% above the highest stock price, in each case being the closing price, as reported by the New York City edition of the Wall Street Journal, or, if not reported therein, any other authoritative sources to be selected by our board of directors, over the ten trading days preceding the date of the purchase (or the date of the commitment to the transaction). The authorization is valid for a period ending five years from the date of the general meeting or the date of its renewal by a subsequent general meeting of shareholders.

Eligibility

Each employee of a participating company is eligible to participate in the ESPP except (a) with respect to the Section 423 ESPP, any employee who is customarily employed by the participating company group for 20 hours or less per week or for not more than five months in any calendar year, and (b) that with respect to the Non-423 ESPP, our compensation committee may determine that only certain categories of employees of a participating company may be eligible to participate in the ESPP, excluding all other employees of such participating company. However, an employee may not be granted rights to purchase common shares either under the Section 423 ESPP or the Non-423 ESPP, if such employee immediately after the grant would own common shares or options to purchase common shares possessing 5.0% or more of the total combined voting power or value of all classes of our share capital.

Operation of the ESPP; Participant Contributions

The ESPP will typically be implemented through consecutive six-month offering periods, and permits participants to purchase common shares through payroll deductions of up to 10.0% of their eligible compensation, which includes regular base wages or salary, overtime payments, shift premiums and payments for paid time off, but exclusive of sign-on bonuses, annual or other incentive bonuses, commissions, profit-sharing distributions or other incentive-type payments, any contributions made by a participating company on the employee's behalf to any employee benefit or welfare plan now or hereafter established (other than amounts deferred pursuant to Section 401(k) or Section 125 of the Code), payments in lieu of notice, payments pursuant to a severance agreement, termination pay, moving allowances, relocation payments, or any amounts directly or indirectly paid pursuant to the ESPP or any other share purchase, share option or other share-based compensation.

Notwithstanding the foregoing, where payroll deductions on behalf of participants who are citizens or residents of countries other than the United States (without regard to whether they are also citizens of the United States or resident aliens) are prohibited or made impracticable by applicable local law, our compensation committee may establish a separate offering (a "Non-United States Offering") covering all eligible employees of one or more participating companies subject to such prohibition or restrictions on payroll deductions. The Non-United States Offering shall provide another method for payment of the purchase price with such terms and conditions as shall be administratively convenient and comply with applicable local law. On each purchase date of the offering period applicable to a Non-United States Offering, each participant who has not withdrawn from the ESPP and whose participation in such offering period has not otherwise terminated before such purchase date shall automatically acquire a number of whole common shares determined in accordance with the applicable provisions of the ESPP to the extent of the total amount of the participant's ESPP account balance accumulated during the offering period in accordance with the method established by our compensation committee and not previously applied toward the purchase of common shares.

Purchase Price; Timing of Purchases

Amounts deducted and accumulated from participant compensation will be used to purchase common shares at the end of each offering period. Under the terms of the ESPP, with respect to participants in the Section 423 ESPP, the purchase price of the shares shall not be less than 85.0% of the lower of the fair market value of a common share on the first trading day of the offering period or on the purchase date. Subject to adjustment as provided by the ESPP and unless otherwise provided by our compensation committee, the purchase price for each offering period shall be 90% of the fair market value of a common share on the purchase date.

On the offering date of each offering period, each participant in such offering period will be automatically granted an option to purchase the lesser of (a) that number of whole common shares determined by dividing the Dollar Limit (as defined below) by the fair market value of a common share on such offering date or (b) the Share Limit (as defined below). Our compensation committee may, in its discretion and prior to the offering date of any offering period, (i) change the method of, or any of the foregoing factors in, determining the number of common shares subject to purchase rights to be granted on such offering date, or (ii) specify a maximum aggregate number of common shares that may be purchased by all participants in an offering or on any purchase date within an offering period. For the purposes of the ESPP, the "Dollar Limit" shall be determined by multiplying \$2,083.33 by the number of months (rounded to the nearest whole month) in the offering period and rounding to the nearest whole dollar, and the "Share Limit" shall be determined by multiplying 200 shares by the number of months (rounded to the nearest whole month) in the offering period and rounding to the nearest whole share.

Notwithstanding any provision of the ESPP to the contrary, no participant (whether participating in the Section 423 ESPP or the Non-423 ESPP) shall be granted a purchase right which permits his or her right to purchase common shares under the ESPP to accrue at a rate which, when aggregated with such participant's rights to purchase shares under all other employee stock purchase plans of a participating company intended to meet the requirements of Section 423 of the Code, exceeds \$25,000 in fair market value (or such other limit, if any, as may be imposed by the Code) for each calendar year in which such purchase right is outstanding at any time. For purposes of the preceding sentence, the fair market value of common shares purchased during a given offering period shall be determined as of the offering date for such offering period.

If insufficient common shares remain available under the ESPP to permit all participants to purchase the number of common shares to which they would otherwise be entitled, our compensation committee will make a pro rata allocation of the available common shares in as uniform a manner as practicable and as the Company determines to be equitable. Any amounts withheld from participants' compensation in excess of the amounts used to purchase common shares will be refunded, without interest.

Administration, Amendment or Termination of the ESPP

In accordance with the terms of the ESPP, our compensation committee will administer the ESPP, including, but not limited to, have full authority to interpret the terms of the ESPP, have the discretion to determine from time to time which subsidiaries shall be participating companies in the ESPP, designate from time to time those participating companies whose eligible employees may participate in the Section 423 ESPP and those participating companies whose eligible employees may participate in the Non-423 ESPP, establish additional or alternative offering periods, different durations for offering periods or different commencing or ending dates for offering periods.

Further, our compensation committee, as administrator of the ESPP, may at any time amend, suspend or terminate the ESPP, except that (a) no such amendment, suspension or termination shall affect purchase previously granted under the ESPP unless expressly provided by the Compensation Committee, and (b) no such amendment, suspension or termination may adversely affect a purchase right previously granted under the ESPP without the consent of the participant, except to the extent permitted by the ESPP or as may be necessary to qualify the ESPP as an employee stock purchase ESPP pursuant to Section 423 of the Code or to comply with any applicable law, regulation or rule. In addition, to the extent required under Section 423 of the Code (or other applicable law, regulation or rule), an amendment to the ESPP must be approved by the shareholders of the Company within 12 months of the adoption of such amendment if such amendment would authorize the sale of more Common Shares than are then authorized for issuance under the ESPP or would change the definition of the corporations that may be designated by the Compensation Committee as "Participating Companies" (as defined in the ESPP). Notwithstanding the foregoing, in the event that the Compensation Committee determines that continuation of the ESPP or an offering would result in unfavorable financial accounting consequences to the Company, the Compensation Committee may, in its discretion and without the consent of any participant, including with respect to an offering period then in progress: (i) terminate the ESPP or any offering period, (ii) accelerate the purchase date of any offering period, (iii) reduce the discount or the method of determining the purchase price in any offering period (e.g., by determining the purchase price solely on the basis of the "Fair Market Value" (as defined in the ESPP) on the purchase date), (iv) reduce the maximum number of common shares that may be purchased in any offering period, or (v) take any combination of the foregoing actions.

In the event of a change in control, an acquiring or successor corporation may assume the Company's rights and obligations under outstanding purchase rights or substitute substantially equivalent purchase rights. If the acquiring or successor corporation does not assume or substitute for outstanding purchase rights, then the purchase date of the offering periods then in progress will be accelerated to a date prior to the change in control.

The ESPP will continue in effect until terminated by the administrator.

On March 12, 2021, the administrator approved the participation in the Section 423 ESPP and Non-423 ESPP by several of the company's subsidiaries, pursuant to the following terms and conditions:

Eligibility. In addition to those employees excluded under the plan, trainees or college trainees and fixed-term employees will also be excluded from the plan.

Offering periods. Each offering period will have a 6 months duration; provided that in respect to Sistemas UK Limited, Sistemas Globales Uruguay S.A. and Difier S.A., their first offering period will have a 5 months duration, commencing on April 1st, 2021; and in respect of IAFH Global S.A., Sistemas Globales S.A., Globers S.A., Dynaflows S.A., Avanzo S.A., BSF S.A., Xappia S.R.L., Decision Support S.A. and Banking Solutions S.A., the offering periods will have 1 month duration, and shall reiterate every 3 months, starting on June 1st, 2021.

Purchase price. 90% of the common shares "fair market value" (as defined in the plan). The amount to be deducted from the compensation of the participant will be in rounded percentages of not less than 1% and not more than 10%, at the participant's discretion; provided that in respect of IAFH Global S.A., Sistemas Globales S.A., Globers S.A., Dynaflows S.A., Avanzo S.A., BSF S.A., Xappia S.R.L., Decision Support S.A. and Banking Solutions S.A., the amount to be deducted from the compensation of the participant will be in rounded percentages of not less than 1% and not more than 30%, at the participant's discretion.

In connection with the plan, the administrator approved the repurchase of up to 100,000 common shares. As of the date of this annual report, the administrator has repurchased 27,000 common shares, and has delivered 7,453 common shares under the plan.

2021 Stock-Equivalent Units

On December 1, 2021, the compensation committee, as administrator, approved the granting of awards in the form of Stock-Equivalent Units to be settled in cash or common shares, or a combination thereof, under the 2014 Equity Incentive Plan for the equivalent to 26,000 common shares, subject to the following terms and conditions:

Purpose. We believe that the initiative will provide an incentive to attract, retain and reward talent in the IT industry, and would prompt the eligible employees to further contribute to the growth and profitability of the company.

Eligibility. All employees in Technology and Delivery Levels 5 and up, who (a) are regular employees on the payroll of any of the company's subsidiaries, (b) have no awards under the 2014 Equity Incentive Plan vesting pending in 2021, and (c) have an overall positive evaluation for the 2021 calendar year.

Granting. The initiative will consist in the granting of SEUs with a unit value equivalent to the market value of one common share of the company at the closing price of the trading day prior to the date of the grant; provided that the number of SEUs to be granted to each eligible employee will be equivalent to 25% of such employee's total 12-month salary at the time of the grant.

Settlement. The SEUs will be settled in cash or common shares of the company, at the option of the eligible employee, and shall vest during a four-year period, in four equal annual installments of 25% each, commencing on the first anniversary of the grant date, so long as the relevant eligible employee is then an employee of any of the company's subsidiaries, out of which 60% will be tied to retention and 40% will be tied to performance based on the short-term bonus results for the year 2022. The common shares to be delivered under the SEUs may consist of treasury and/or newly-issued common shares.

E. Share Ownership

Share Ownership

The total number of shares of the company beneficially owned by our directors and executive officers, as of the date of this annual report, was 1,120,509 (includes common shares subject to options that are currently exercisable or will be exercisable, and/or issuable upon settlement of RSUs that have vested or will vest, within 60 days of February 11, 2022), which represents 2.67% of the total shares of the Company (including common shares subject to options that are currently exercisable within 60 days of February 11, 2022). See table in "[Major Shareholders and Related Party Transactions — Major Shareholders.](#)"

Share Options

See "[Compensation — Compensation of Board of Directors and Senior Management — 2014 Equity Incentive Plan.](#)"

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth information regarding beneficial ownership of our common shares as of February 11, 2022 by:

- each of our directors and members of senior management individually;
- all directors and members of senior management as a group; and
- each shareholder whom we know to own beneficially more than 5% of our common shares.

As of February 11, 2022, we had 41,894,982 issued and outstanding common shares. Beneficial ownership for the purposes of the following table is determined in accordance with the rules and regulations of the SEC. These rules generally provide that a person is the beneficial owner of securities if such person has or shares the power to vote or direct the voting thereof, or to dispose or direct the disposition thereof, to receive the economic benefit of ownership of the securities, or has the right to acquire such powers within 60 days. Common shares subject to options, RSUs, warrants or other convertible or exercisable securities that are currently convertible or exercisable or convertible or exercisable within 60 days of February 11, 2022 are deemed to be outstanding and beneficially owned by the person holding such securities. Common shares issuable pursuant to share options or warrants are deemed outstanding for computing the percentage ownership of the person holding such options or warrants but are not outstanding for computing the percentage of any other person. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have

sole voting and investment power with respect to all of our common shares. As of February 11, 2022, we had 178 holders of record in the United States with approximately 95.90% of our issued and outstanding common shares.

	Number	Percent
Directors and Senior Management		
Francisco Álvarez-Demalde ⁽¹⁾	27,567	
Gustavo Barreiro ⁽²⁾	22,000	
Yanina María Conti ⁽³⁾	1,450	
Guibert Andres Englebienne ⁽⁴⁾	339,886	
Richard Haythornthwaite ⁽⁵⁾	1,711	
Mercedes María Mac Pherson ⁽⁶⁾	7,078	
Martín Migoya ⁽⁷⁾	248,876	
Philip A. Odeen ⁽⁸⁾	108	
Maria Pinelli ⁽⁹⁾	—	—
Patricia Pomies ⁽¹⁰⁾	59,827	
Patricio Pablo Rojo ⁽¹¹⁾	—	—
Linda Rottenberg ⁽¹²⁾	1,711	
Martín Gonzalo Umaran ⁽¹³⁾	388,411	
Diego Tártara ⁽¹⁴⁾	4,551	
Juan Ignacio Urthiague ⁽¹⁵⁾	1,266	
Mario Vazquez ⁽¹⁶⁾	567	
Wanda Weigert ⁽¹⁷⁾	15,500	
All Directors and Senior Management as a group	1,120,509	2.67
*Less than 1%		
5% or More Shareholders:		
BlackRock, Inc. ⁽¹⁸⁾	3,356,942	8.01
Wasatch Advisors, Inc. ⁽¹⁹⁾	2,816,656	6.72
Morgan Stanley ⁽²⁰⁾	2,109,208	5.03

⁽¹⁾ Includes 27,108 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽²⁾ Includes 21,250 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽³⁾ Includes 1,000 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽⁴⁾ Includes 82,500 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable, and 147,166 common shares held by a revocable trust formed under Wyoming law (the "Revocable Englebienne Trust Shares") formed by Mr. Englebienne that was established for the benefit of Mr. Englebienne, his wife and certain charitable organizations. Subsequently, the trust transferred its Revocable Englebienne Trust Shares to a BVI company wholly owned by the trust. Angerona Trust Company LLC acts as the independent trustee of the trust. Angerona Group Administration Limited is the sole director of the BVI company and holds voting and dispositive power over the 147,166 common shares held by such company.

⁽⁵⁾ Includes 108 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽⁶⁾ Includes 5,500 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽⁷⁾ Includes 18,000 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable, and 147,040 common shares held by a revocable trust formed under Wyoming law (the "Revocable Migoya Trust Shares") formed by Mr. Migoya that was established for the benefit of Mr. Migoya, his wife and certain charitable organizations. Subsequently, the trust transferred its Revocable Migoya Trust Shares to a BVI company wholly owned by the trust. Angerona Trust Company LLC acts as the independent trustee of the trust. Angerona Group Administration Limited is the sole director of the BVI company and holds voting and dispositive power over the 147,040 common shares held by such company.

⁽⁸⁾ Includes 108 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽⁹⁾ Includes 0 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽¹⁰⁾ Includes 40,625 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

⁽¹¹⁾ Includes 0 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.

- (12) Includes 108 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.
- (13) Includes 32,500 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable, and 259,241 common shares held by a revocable trust formed under Wyoming law (the "Revocable Umaran Trust Shares") formed by Mr. Umaran that was established for the benefit of Mr. Umaran, his wife and certain charitable organizations. Subsequently, the trust transferred its Revocable Umaran Trust Shares to a BVI company wholly owned by the trust. Angerona Trust Company LLC acts as the independent trustee of the trust. Angerona Group Administration Limited is the sole director of the BVI company and holds voting and dispositive power over the 259,241 common shares held by such company.
- (14) Includes 4,500 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable.
- (15) Includes 0 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable
- (16) Includes 108 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable
- (17) Includes 15,000 common shares issuable upon exercise of vested options and settlement of RSUs, as applicable
- (18) Based on a Schedule 13G/A filed with the SEC on February 3, 2022, BlackRock, Inc. beneficially owns 3,356,942 of our common shares and has sole and dispositive power with respect to all of such shares. The address of BlackRock, Inc.'s principal business office is 55 East 52nd Street, New York, NY 10055.
- (19) Based on a Schedule 13G/A filed with the SEC on February 11, 2022, Wasatch Advisors, Inc beneficially owns 2,816,656 of our common shares and has sole and dispositive power with respect to all of such shares. The address of Wasatch Advisors, Inc.'s principal business office is 505 Wakara Way, Salt Lake City, UT 84108.
- (20) Based on a Schedule 13G filed with SEC on February 10, 2022. Morgan Stanley beneficially owns 2,109,208 of our common shares and has shared voting power with respect to 2,018,975 shares and shared dispositive power with respect to 2,109,208. The address of Morgan Stanley's principal business office is 1585 Broadway New York, NY 1036.

B. Related Party Transactions

For a summary of our revenue and expenses and receivables and payables with related parties, please see [note 24](#) to our audited consolidated financial statements.

Procedures for Related Party Transactions

On July 23, 2014, we adopted a written code of business conduct and ethics for our company, which was amended on January 26, 2022. Under our code of business conduct and ethics, our employees, officers and directors are discouraged from entering into any transaction that may cause a conflict of interest for us. In addition, they must report any potential conflict of interest, including related party transactions, to their managers or our corporate counsel who then will review and summarize the proposed transaction for our audit committee. Pursuant to its charter, our audit committee is required to then approve any related-party transactions, including those transactions involving our directors. In approving or rejecting such proposed transactions, the audit committee is required to consider the relevant facts and circumstances available and deemed relevant to the audit committee, including the material terms of the transactions, risks, benefits, costs, availability of other comparable services or products and, if applicable, the impact on a director's independence. Our audit committee will approve only those transactions that, in light of known circumstances, are in, or are not inconsistent with, our best interests, as our audit committee determines in the good faith exercise of its discretion.

On November 5, 2015, we adopted a related party transactions policy, as amended by the Audit Committee. This policy indicates, based on certain specific parameters, which transactions should be submitted for approval by either our Audit Committee or our general counsel.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated statements and other financial information.

We have included the Consolidated Financial Statements as part of this annual report. See [Item 18, "Financial Statements."](#)

Legal Proceedings

We may be involved in litigation in the normal course of our business, both as a defendant and as a plaintiff. In the ordinary course of our business, we are subject to certain contingent liabilities with respect a variety of potential claims, lawsuits and other proceedings, including claims related to patent infringement, purported class actions, tax and labor lawsuits and other claims. In particular, in the software and technology industries, other companies own large numbers of patents, copyrights, trademarks and trade secrets and frequently engage in litigation based on allegations of infringement or other violations of intellectual property rights. We have received and may continue to receive assertions and claims that our services infringe on these patents or other intellectual property rights. See [“Key Information - Risk Factors — Risks Related to Our Business and Industry — If we incur any liability for a violation of the intellectual property rights of others, our reputation, business, financial condition and prospects may be adversely affected.”](#) In such cases litigation may be necessary to determine the scope, enforceability and validity of third-party proprietary rights or to establish our proprietary rights. However, given that litigation could be costly and time-consuming and could divert the attention of management and key personnel from our business operations, we may elect to settle these claims from time to time. We accrue liabilities when it is probable that future costs will be incurred and such cost can be reasonably estimated.

On August 8, 2019, Certified Collectibles Group, LLC (“CCG”) and its affiliates filed a complaint in the U.S. District Court for the Middle District of Florida, Tampa Division, (Civil Action No. 19-CV-1962) against Globant S.A. and Globant, LLC, arising from a dispute relating to a service contract. Both Globant, LLC and Globant S.A. filed separate motions to dismiss the complaint, as was amended by CCG, for failure to state a claim. On July 30, 2021, CCG’s claim was settled for \$7,250,000 (of which \$2,700,000 were covered by insurance reimbursements).

Since 2018, certain of our non-U.S. subsidiaries have been under examination by the U.S. Internal Revenue Service (“IRS”) regarding payroll and employment taxes primarily in connection with services performed by employees of certain of our subsidiaries in the United States between 2013 and 2015. On May 1, 2018, the IRS issued 30-day letters to those subsidiaries proposing total assessments of \$1.4 million plus penalties and interest for employment taxes for those years. Our subsidiaries challenged these proposed assessments with the IRS on July 16, 2018. Following discussions with the IRS, during the fourth quarter of 2021, the IRS and our subsidiaries have reached a preliminary agreement on the proposed assessments, which would amount to \$1.3 million, including applicable interests and penalties. As of the date of this annual report, we are waiting for the final confirmation from the IRS on the proposed amount of the assessments to make the payment and settle this matter definitively.

Between 2010 and 2014, certain of Grupo Assa’s Brazilian subsidiaries were subject to two examinations by the Ministry of Labor (“MTE”) and the Brazilian Internal Revenue Service (“RFB”) in relation to the potential hiring of employees as independent contractors. As a result of such examinations, the MTE and the RFB initiated different administrative proceedings against Grupo Assa’s Brazilian subsidiaries, seeking to collect payment of taxes and social security contributions allegedly owed by the companies, and imposing certain associated fines. As of December 31, 2021, some of these administrative proceedings are still ongoing while others have resulted in judicial proceedings. Under the equity purchase agreement entered into for the acquisition of Grupo ASSA Worldwide S.A. and its affiliates (collectively, “Grupo Assa”), certain of the above mentioned proceedings are subject to indemnification provisions from the sellers.

In addition to the foregoing, as of December 31, 2021, we are a party to certain other legal proceedings, including tax and labor claims, where the risk of loss is considered possible. In the opinion of our management, the ultimate disposition of such threatened and/or pending matters, either individually or on a combined basis, is not likely to have a material effect on our financial condition, liquidity or results of operations.

Dividend Policy

We currently anticipate that we will retain all available funds for use in the operation and expansion of our business, and do not anticipate paying any dividends in the foreseeable future.

Under Luxembourg law, at least 5% of our net income per year must be allocated to the creation of a legal reserve until such reserve has reached an amount equal to 10% of our issued share capital. If the legal reserve subsequently falls below the 10% threshold, 5% of net income again must be allocated toward the reserve until such reserve returns to the 10% threshold. If the legal reserve exceeds 10% of our issued share capital, the legal reserve may be reduced. The legal reserve is not available for distribution.

We are a holding company and have no material assets other than direct and indirect ownership of our operating and non-operating subsidiaries. If we were to distribute a dividend at some point in the future, we would cause the operating subsidiaries to make distributions in an amount sufficient to cover any such dividends.

B. Significant Changes

As of the date of this annual report we have no significant changes to inform.

ITEM 9. THE OFFER AND LISTING

A. Offering and listing details.

Our ordinary shares began trading on the NYSE under the symbol "GLOB" in connection with our IPO on July 18, 2014.

B. Plan of Distribution

Not applicable.

C. Markets

Our ordinary shares began trading on the NYSE under the symbol "GLOB" in connection with our IPO on July 18, 2014. See "[The Offer and Listing - Offering and Listing Details.](#)"

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION.

A. Share capital

Not applicable.

B. Memorandum and Articles of Association

The following is a summary of some of the terms of our common shares, based on our articles of association.

The following summary is not complete and is subject to, and is qualified in its entirety by reference to, the provisions of our articles of association, as amended, which were included as an exhibit to our report on Form 6-K filed with the SEC on June 1, 2016, and applicable Luxembourg law, including Luxembourg Corporate Law.

General

We are a Luxembourg joint stock company (*société anonyme*) and our legal name is "Globant S.A." We were incorporated on December 10, 2012. We are registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B 173 727 and have our registered office at 37A Avenue J.F. Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg.

Share Capital

As of December 31, 2021, our issued share capital was \$50,269,076.40, represented by 41,890,897 common shares with a nominal value of \$1.20 each, of which 157,699 were treasury shares held by us.

We had an authorized share capital, excluding the issued share capital, of \$3,042,922.80, consisting of 2,535,769.00 common shares with a nominal value of \$1.20 each.

Our shareholders' meeting has authorized our board of directors to issue common shares within the limits of the authorized share capital at such time and on such terms as our board of directors may decide during a period ending on the fifth anniversary of the extraordinary general meeting of shareholders held on April 3, 2020, and may be renewed. Accordingly, as of December 31, 2021, our board of directors may issue up to 2,535,769 common shares until such date.

Our authorized share capital is determined by our articles of association, as amended from time to time, and may be increased or reduced by amending the articles of association by approval of the requisite two-thirds majority of the votes at a quorate extraordinary general shareholders' meeting. Under Luxembourg law, our shareholders have no obligation to provide further capital to us.

Under Luxembourg law, our shareholders benefit from a pre-emptive subscription right on the issuance of common shares for cash consideration. However, our shareholders have, in accordance with Luxembourg law authorized our board of directors to waive, suppress or limit, any pre-emptive subscription rights of shareholders provided by law to the extent our board of directors deems such waiver, suppression or limitation advisable for any issue or issues of common shares within the scope of our authorized share capital. Such common shares may be issued above, at or below market value as well as above, at or below nominal value by way of incorporation of available reserves (including premium).

Form and Transfer of Common Shares

Our common shares are issued in registered form only and are freely transferable under Luxembourg law and our articles of association. Luxembourg law does not impose any limitations on the rights of Luxembourg or non-Luxembourg residents to hold or vote our common shares.

Under Luxembourg law, the ownership of registered shares is established by the inscription of the name of the shareholder and the number of shares held by him or her in the shareholder register. Transfers of common shares not deposited into securities accounts are effective towards us and third parties either through the recording of a declaration of transfer into the shareholders' register, signed and dated by the transferor and the transferee or their representatives or by us, upon notification of the transfer to, or upon the acceptance of the transfer by, us. Should the transfer of common shares not be recorded accordingly, the shareholder is entitled to enforce his or her rights by initiating the relevant proceedings before the competent courts of Luxembourg.

In addition, our articles of association provide that our common shares may be held through a securities settlement system or a professional depository of securities. The depositor of common shares held in such manner has the same rights and obligations as if such depositor held the common shares directly. Common shares held through a securities settlement system or a professional depository of securities may be transferred from one account to another in accordance with customary procedures for the transfer of securities in book-entry form. However, we will make dividend payments (if any) and any other payments in cash, common shares or other securities (if any) only to the securities settlement system or the depository recorded in the shareholders' register or in accordance with its instructions.

Issuance of Common Shares

Pursuant to Luxembourg Corporate Law, the issuance of common shares requires the amendment of our articles of association by the approval of two-thirds of the votes at a quorate extraordinary general shareholders' meeting; provided, however, that the general meeting may approve an authorized share capital and authorize our board of directors to issue common shares up to the maximum amount of such authorized unissued share capital for a five year period beginning either on the date of the relevant general meeting or the date of publication in the RESA of the minutes of the relevant general meeting approving such authorization. The general meeting may amend or renew such authorized share capital and such authorization of our board of directors to issue common shares.

As of December 31, 2021, we had an authorized share capital, excluding the issued share capital, of \$3,042,922.80 and our board of directors was authorized to issue up to 2,535,769 common shares (subject to stock splits, consolidation of common shares or like transactions) with a nominal value of \$1.20 per common share.

Our articles of association provide that no fractional shares shall be issued or exist.

Pre-emptive Rights

Unless limited, waived or cancelled by our board of directors in the context of the authorized share capital or pursuant to a decision of an extraordinary general meeting of shareholders pursuant to the provisions of the articles of association relating to amendments thereof, holders of our common shares have a pro rata pre-emptive right to subscribe for any new

common shares issued for cash consideration. Our articles of association provide that pre-emptive rights can be waived, suppressed or limited by our board of directors for a period ending on the fifth anniversary of the date of extraordinary general meeting of shareholders held on April 3, 2020, which period therefore ends on April 3, 2025, in the event of an increase of the issued share capital by our board of directors within the limits of the authorized share capital.

Repurchase of Common Shares

We cannot subscribe for our own common shares. We may, however, repurchase issued common shares or have another person repurchase issued common shares for our account, subject to the following conditions:

- the repurchase complies with the principle of equal treatment of all shareholders, except in the event such repurchase was the result of the unanimous decision of a general meeting at which all shareholders were present or represented (in addition, listed companies may repurchase their own shares on the stock exchange without an offer to repurchase having to be made to the shareholders);
- prior authorization by a simple majority vote at an ordinary general meeting of shareholders is granted, which authorization sets forth the terms and conditions of the proposed repurchase, including the maximum number of common shares to be repurchased, the duration of the period for which the authorization is given (which may not exceed five years) and, in the case of a repurchase for consideration, the minimum and maximum consideration per common share;
- the repurchase does not reduce our net assets (on a non-consolidated basis) to a level below the aggregate of the issued share capital and the reserves that we must maintain pursuant to Luxembourg law or our articles of association; and
- only fully paid-up common shares are repurchased.

No prior authorization by our shareholders is required for us to repurchase our own common shares if:

- we are in imminent and severe danger, in which case our board of directors must inform the general meeting of shareholders held subsequent to the repurchase of common shares of the reasons for, and aim of such repurchase, the number and nominal value of the common shares repurchased, the fraction of the share capital such repurchased common shares represented and the consideration paid for such shares; or
- the common shares are repurchased by us or by a person acting for our account in view of a distribution of the common shares to our employees.

On May 31, 2019, the general meeting of shareholders, according to the conditions set forth in article 430-15 of Luxembourg Corporate Law, granted our board of directors the authorization to repurchase up to a maximum number of shares representing 20% of the share capital for a net purchase price being (i) no less than 50% of the lowest stock price and (ii) no more than 50% above the highest stock price, in each case being the closing price, as reported by the New York City edition of the Wall Street Journal, or, if not reported therein, any other authoritative sources to be selected by our board of directors, over the ten trading days preceding the date of the purchase (or the date of the commitment to the transaction). The authorization is valid for a period ending five years from the date of the general meeting or the date of its renewal by a subsequent general meeting of shareholders. Pursuant to such authorization, our board of directors is authorized to acquire and sell our common shares under the conditions set forth in the minutes of such general meeting of shareholders. Such purchases and sales may be carried out for any purpose authorized by the general meeting of Globant S.A.

Capital Reduction

Our articles of association provide that our issued share capital may be reduced by a resolution adopted by a two-thirds majority of the votes at a quorate extraordinary general shareholders' meeting. If the reduction of capital results in the capital being reduced below the legally prescribed minimum, the general meeting of the shareholders must, at the same time, resolve to increase the capital up to the required level.

General Meeting of Shareholders

Any regularly constituted general meeting of our shareholders represents the entire body of shareholders.

Each of our common shares entitles the holder thereof to attend our general meeting of shareholders, either in person or by proxy, to address the general meeting of shareholders and to exercise voting rights, subject to the provisions of Luxembourg law and our articles of association. Each common share entitles the holder to one vote at a general meeting of shareholders. Our articles of association provide that our board of directors shall adopt as it deems fit all other regulations and rules concerning the attendance to the general meeting.

A general meeting of our shareholders may, at any time, be convened by our board of directors, to be held at such place and on such date as specified in the convening notice of such meeting. Our articles of association and Luxembourg law provide that a general meeting of shareholders must be convened by our board of directors, upon request in writing indicating the agenda, addressed to our board of directors by one or more shareholders representing at least 10% of our issued share capital. In such case, a general meeting of shareholders must be convened and must be held within a period of one month from receipt of such request. One or more shareholders holding at least 5% of our issued share capital may request the addition of one or more items to the agenda of any general meeting of shareholders and propose resolutions. Such requests must be received at our registered office by registered mail at least 22 days before the date of such meeting.

Our articles of association provide that if our common shares are listed on a stock exchange, all shareholders recorded in any register of our shareholders are entitled to be admitted and vote at the general meeting of shareholders based on the number of shares they hold on a date and time preceding the general meeting of shareholders as the record date for admission to the general meeting of shareholders (the "Record Date"), which the board of directors may determine as specified in the convening notice. Furthermore, any shareholder, holder or depositary, as the case may be, who wishes to attend the general meeting must inform us thereof no later than on the third business day preceding the date of such general meeting, or by any other date which the board of directors may determine and as specified in the convening notice, in a manner to be determined by our board of directors in the notice convening the general meeting of the shareholders. In the case of common shares held through the operator of a securities settlement system or with a depositary, or sub-depositary designated by such depositary, a shareholder wishing to attend a general meeting of shareholders should receive from such operator or depositary a certificate certifying the number of common shares recorded in the relevant account on the Record Date. The certificate should be submitted to us at our registered office no later than three business days prior to the date of such general meeting. In the event that the shareholder votes by means of a proxy, the proxy must be deposited at our registered office at the same time or with any of our agents, duly authorized to receive such proxies. Our board of directors may set a shorter period for the submission of the certificate or the proxy in which case this will be specified in the convening notice.

The convening of, and attendance to, our general meetings is subject to the provisions of the Luxembourg Corporate Law.

General meetings of shareholders shall be convened in accordance with the provisions of our articles of association and the Luxembourg Corporate Law and the requirement of any stock exchange on which our shares are listed. The Luxembourg Corporate Law provides *-inter alia-* that convening notices for every general meeting shall contain the agenda and shall take the form of announcements filed with the register of commerce and companies, published on the RESA, and published in a Luxembourg newspaper at least 15 days before the meeting. As all of our common shares are in registered form, we may decide to send the convening notice only by registered mail to the registered address of each shareholder no less than eight days before the meeting. In that case, the legal requirements regarding the publication of the convening notice in the RESA and in a Luxembourg newspaper do not apply.

In the event (i) an extraordinary general meeting of shareholders is convened to vote on an extraordinary resolution (See below under "Voting Rights" for additional information), (ii) such meeting is not quorate and (iii) a second meeting is convened, the second meeting will be convened as specified above.

Pursuant to our articles of association, if all shareholders are present or represented at a general meeting of shareholders and state that they have been informed of the agenda of the meeting, the general meeting of shareholders may be held without prior notice.

Our annual general meeting is held on the date set forth in the corresponding convening notice within six months of the end of each financial year at our registered office or such other place as specified in such convening notice.

Voting Rights

Each share entitles the holder thereof to one vote at a general meeting of shareholders.

Luxembourg law distinguishes between ordinary resolutions and extraordinary resolutions.

Extraordinary resolutions relate to proposed amendments to the articles of association and certain other limited matters. All other resolutions are ordinary resolutions.

Ordinary Resolutions. Pursuant to our articles of association and the Luxembourg Corporate Law, ordinary resolutions shall be adopted by a simple majority of votes validly cast on such resolution at a general meeting. Abstentions and nil votes will not be taken into account.

Extraordinary Resolutions. Extraordinary resolutions are required for any of the following matters, among others: (a) an increase or decrease of the authorized share capital or issued share capital, (b) a limitation or exclusion of preemptive rights, (c) approval of a merger (*fusion*) or de-merger (*scission*), (d) dissolution, (e) an amendment to our articles of association and (f) a change of nationality. Pursuant to Luxembourg law and our articles of association, for any extraordinary resolutions to be considered at a general meeting, the quorum must generally be at least 50% of our issued share capital. Any extraordinary resolution shall generally be adopted at a quorate general meeting upon a two-thirds majority of the votes validly cast on such resolution. In case such quorum is not reached, a second meeting may be convened by our board of directors in which no quorum is required, and which must generally still approve the amendment with two-thirds of the votes validly cast. Abstentions and nil votes will not be taken into account.

Appointment and Removal of Directors. Members of our board of directors are elected by ordinary resolution at a general meeting of shareholders. Under our articles of association, all directors are elected for a period of up to four years, provided, however, that our directors shall be elected on a staggered basis. Any director may be removed with or without cause and with or without prior notice by a simple majority vote at any general meeting of shareholders. The articles of association provide that, in case of a vacancy, our board of directors may fill such vacancy on a temporary basis by a person designated by the remaining members of our board of directors until the next general meeting of shareholders, which will resolve on a permanent appointment. The directors shall be eligible for re-election indefinitely.

Neither Luxembourg law nor our articles of association contain any restrictions as to the voting of our common shares by non-Luxembourg residents.

Amendment to Articles of Association

Shareholder Approval Requirements. Luxembourg law requires that an amendment to our articles of association generally be made by extraordinary resolution. The agenda of the general meeting of shareholders must indicate the proposed amendments to the articles of association.

Pursuant to Luxembourg Corporate Law and our articles of association, for an extraordinary resolution to be considered at a general meeting, the quorum must generally be at least 50% of our issued share capital. Any extraordinary resolution shall be adopted at a quorate general meeting (save as otherwise required by law) upon a two-thirds majority of the votes validly cast on such resolution. If the quorum of 50% is not reached at this meeting, a second general meeting may be convened, in which no quorum is required, and may approve the resolution at a majority of two-third of votes validly cast.

Formalities. Any resolutions to amend the articles of association or to approve a merger, de-merger, change of nationality, dissolution or change of nationality must be taken before a Luxembourg notary and such amendments must be published in accordance with Luxembourg law.

Merger and Division

A merger by absorption whereby one Luxembourg company, after its dissolution without liquidation, transfers to another company all of its assets and liabilities in exchange for the issuance of common shares in the acquiring company to the shareholders of the company being acquired, or a merger effected by transfer of assets to a newly incorporated company, must, in principle, be approved at a general meeting of shareholders by an extraordinary resolution of the Luxembourg company, and the general meeting of shareholders must be held before a Luxembourg notary. Further conditions and formalities under Luxembourg law are to be complied with in this respect.

Liquidation

In the event of our liquidation, dissolution or winding-up, the assets remaining after allowing for the payment of all liabilities will be paid out to the shareholders pro rata according to their respective shareholdings. Generally, the decisions to liquidate, dissolve or wind-up require the passing of an extraordinary resolution at a general meeting of our shareholders, and such meeting must be held before a Luxembourg notary.

Mandatory Bid, Squeeze-Out and Sell-Out Rights

Mandatory Bid. In accordance with the provisions of article 8 of our articles of association any person (the "Bidder") wishing to acquire by any means (including, but not limited to, the conversion of any financial instrument convertible into common shares), directly or indirectly, common shares of our Company (which, when aggregated with his/her/its existing common share holdings, together with any shares held by a person controlling the Bidder, controlled by the Bidder and/or under common control with the Bidder, represent at least thirty-three point thirty-three percent (33.33%) of the share capital of the

Company (the "Threshold"), shall have the obligation to propose an unconditional takeover bid to acquire the entirety of the then-outstanding common shares together with any financial instrument convertible into common shares (the "Takeover Bid").

The consideration for each common share and financial instrument convertible into common shares payable to each holder thereof shall be the same, shall be payable in cash only, and shall not be lower than the highest of the following prices:

(a) the highest price per common shares and financial instrument convertible into common shares paid by the Bidder, or on behalf thereof, in relation to any acquisition of common shares and the financial instruments convertible into common shares within the twelve months period immediately preceding the takeover notice, adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and/or the financial instruments convertible into common shares; or

(b) the highest closing sale price, during the sixty-day period immediately preceding the takeover notice, of a common share of our Company as quoted by the New York Stock Exchange, in each case as adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and financial instrument convertible into common shares.

Squeeze-out right and sell out right. As a result of our common shares having been listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange ("LuxSE") until July 31, 2019, we remain subject to the provisions of the Luxembourg law of July 21, 2012 on mandatory squeeze-out and sell-out of securities of companies admitted or having been admitted to trading on a regulated market or which have been subject to a public offer (the "Luxembourg Mandatory Squeeze-Out and Sell-Out Law"), which shall continue to be applicable to the Company until July 31, 2024; provided that, no new listing on a regulated market (within the meaning of Directive 2014/65/EU) will occur until the aforementioned date. The Luxembourg Mandatory Squeeze-Out and Sell-Out Law provides that, subject to the conditions set forth therein being met, if any individual or legal entity, acting alone or in concert with another, holds a number of shares or other voting securities representing at least 95% of our voting share capital and 95% of our voting rights: (i) such holder may require the holders of the remaining shares or other voting securities to sell those remaining securities (the "Mandatory Squeeze-Out"); and (ii) the holders of the remaining shares or securities may require such holder to purchase those remaining shares or other voting securities (the "Mandatory Sell-Out"). The Mandatory Squeeze-Out and the Mandatory Sell-Out must be exercised at a fair price according to objective and adequate methods applying to asset disposals. The procedures applicable to the Mandatory Squeeze-Out and the Mandatory Sell-Out are subject to further conditions and must be carried out under the supervision of the Commission de Surveillance du Secteur Financier (the "CSSF").

No Appraisal Rights

Neither Luxembourg law nor our articles of association provide for any appraisal rights of dissenting shareholders.

Distributions

Subject to Luxembourg law, if and when a dividend is declared by the general meeting of shareholders or an interim dividend is declared by our board of directors, each common share is entitled to participate equally in such distribution of funds legally available for such purposes. Pursuant to our articles of association, our board of directors may pay interim dividends, subject to Luxembourg law.

Declared and unpaid distributions held by us for the account of the shareholders shall not bear interest. Under Luxembourg law, claims for unpaid distributions will lapse in our favor five years after the date such distribution became due and payable.

Any amount payable with respect to dividends and other distributions declared and payable may be freely transferred out of Luxembourg, except that any specific transfer may be prohibited or limited by anti-money laundering regulations, freezing orders or similar restrictive measures.

Annual Accounts

Under Luxembourg law, our board of directors must prepare annual accounts and consolidated accounts. Except for certain cases as provided for by Luxembourg law, our board of directors must also annually prepare management reports on the annual accounts and consolidated accounts. The annual accounts, the consolidated accounts, management reports and auditor's reports must be available for inspection by shareholders at our registered office and on our website for an uninterrupted period beginning at least eight calendar days prior to the date of the annual ordinary general meeting of shareholders.

The annual accounts and consolidated accounts are audited by an approved statutory auditor (*réviseur d'entreprises agréé*).

The annual accounts and the consolidated accounts, will be filed with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés* of Luxembourg) and disseminated as regulated information.

Information Rights

Luxembourg law gives shareholders limited rights to inspect certain corporate records prior to the date of the annual ordinary general meeting of shareholders, including the annual accounts with the list of directors and auditors, the consolidated accounts, the notes to the annual accounts and the consolidated accounts, a list of shareholders whose common shares are not fully paid up, the management reports, the auditor's report and, in case of amendments to the articles of association, the text of the proposed amendments and the draft of the resulting consolidated articles of association.

In addition, any registered shareholder is entitled to receive, upon request, a copy of the annual accounts, the consolidated accounts, the auditor's reports and the management reports free of charge prior to the date of the annual ordinary general meeting of shareholders.

Board of Directors

Globant S.A. is managed by our board of directors which is vested with the broadest powers to take any actions necessary or useful to fulfill our corporate purpose with the exception of actions reserved by law or our articles of association to the general meeting of shareholders. Our articles of association provide that our board of directors must consist of at least seven members and no more than fifteen members. Our board of directors meets as often as company interests require.

A majority of the members of our board of directors present or represented at a board meeting constitutes a quorum, and resolutions are adopted by the simple majority vote of our board members present or represented. In the case of a tie, the chairman of our board shall have the deciding vote. Our board of directors may also make decisions by means of resolutions in writing signed by all directors.

Directors are elected by the general meeting of shareholders, and appointed for a period of up to four years; provided, however, that directors are elected on a staggered basis, with one-third of the directors being elected each year; and provided, further, that such term may be exceeded by a period up to the annual general meeting held following the fourth anniversary of the appointment, and each director will hold office until his or her successor is elected. The general shareholders' meeting may remove one or more directors at any time, without cause and without prior notice by a resolution passed by simple majority vote. If our board of directors has a vacancy, such vacancy may be filled on a temporary basis by a person designated by the remaining members of our board of directors until the next general meeting of shareholders, which will resolve on a permanent appointment. Any director shall be eligible for re-election indefinitely.

Within the limits provided for by applicable law and our articles of association, our board of directors may delegate to one or more directors or to any one or more persons, who need not be shareholders, acting alone or jointly, the daily management of Globant S.A. and the authority to represent us in connection with such daily management. Our board of directors may also grant special powers to any person(s) acting alone or jointly with others as agent of Globant S.A.

Our board of directors may establish one or more committees, including without limitation, an audit committee, a nominating and corporate governance committee, and a compensation committee, and for which it shall, if one or more of such committees are set up, appoint the members, determine the purpose, powers and authorities as well as the procedures and such other rules as may be applicable thereto. Our board of directors has established an audit committee as well as a compensation committee, and a nominating and corporate governance committee.

No contract or other transaction between us and any other company or firm shall be affected or invalidated by the fact that any one or more of our directors or officers is interested in, or is a director, associate, officer, agent, adviser or employee of such other company or firm. Any director or officer who serves as a director, officer or employee or otherwise of any company or firm with which we shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm only, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

Any director who has, directly or indirectly, a conflicting interest in a transaction submitted for approval to our board of directors that conflicts with our interest, must inform our board of directors thereof and to cause a record of his statement to be included in the minutes of the meeting. Such director may not take part in these deliberations and may not vote on the

relevant transaction. At the next general meeting, before any resolution is put to a vote, a special report shall be made on any transactions in which any of the directors may have had an interest that conflicts with our interest.

No shareholding qualification for directors is required.

Any director and other officer, past and present, is entitled to indemnification from us to the fullest extent permitted by law against liability and all expenses reasonably incurred or paid by such director in connection with any claim, action, suit or proceeding in which he or she is involved as a party or otherwise by virtue of his being or having been a director. We may purchase and maintain insurance for any director or other officer against any such liability.

No indemnification shall be provided against any liability to our directors or executive officers by reason of willful misconduct, bad faith, gross negligence or reckless disregard of the duties of a director or officer. No indemnification will be provided with respect to any matter as to which the director or officer shall have been finally adjudicated to have acted in bad faith and not in our interest, nor will indemnification be provided in the event of a settlement (unless approved by a court or our board of directors).

Registrars and Registers for Our Common Shares

All of our common shares are in registered form only.

We keep a register of common shares at our registered office in Luxembourg. This register is available for inspection by any shareholder. In addition, we may appoint registrars in different jurisdictions who will each maintain a separate register for the registered common shares entered therein. It is possible for our shareholders to elect the entry of their common shares in one of these registers and the transfer thereof at any time from one register to any other, including to the register kept at our registered office. However, our board of directors may restrict such transfers for common shares that are registered, listed, quoted, dealt in or have been placed in certain jurisdictions in compliance with the requirements applicable therein.

Our articles of association provide that the ownership of registered common shares is established by inscription in the relevant register. We may consider the person in whose name the registered common shares are registered in the relevant register as the owner of such registered common shares.

Transfer Agent and Registrar

The transfer agent and registrar for our common shares is American Stock Transfer & Trust Company, LLC, with an address at 6201 15th Avenue Brooklyn, New York, NY 11219.

Our common shares are listed on the NYSE under the symbol "GLOB".

C. Material Contracts

On February 6, 2020, the Borrower, entered into the Second Amended and Restated Credit Agreement (as amended in October 2021), pursuant to which, the Borrower may borrow (i) up to \$100 million in up to four borrowings on or prior to April 1, 2022 under a delayed-draw term loan facility and (ii) up to \$250 million under a revolving credit facility. In addition, the Borrower may request increases of the maximum amount available under the revolving facility in an aggregate amount not to exceed \$100 million. The maturity date of each of the facilities is February 5, 2025. Pursuant to the terms of the Second A&R Credit Agreement, interest on the loans extended thereunder shall accrue at a rate per annum equal to either (i) LIBOR plus 1.50%, or (ii) LIBOR plus 1.75%, determined based on the Borrower's Maximum Total Leverage Ratio (as defined in the Second A&R Credit Agreement). The Borrower's obligations under the Second A&R Credit Agreement are guaranteed by the Company and its subsidiary Globant España S.A., and are secured by substantially all of the Borrower's now owned and after-acquired assets. The Second A&R Credit Agreement also contains certain customary negative and affirmative covenants, which compliance may limit our flexibility in operating our business and our ability to take actions that might be advantageous to us and our shareholders.

On June 4, 2020, we entered into an underwriting agreement with J.P. Morgan Securities LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters named therein, relating to the offer and sale of an aggregate of 2,300,000 of our common shares, including 300,000 common shares issued as a result of the underwriters' exercise in full of their over-allotment option, at a public offering price of \$135.00 per common share.

On July 31, 2020, we entered into an equity purchase agreement with the equityholders of Grupo ASSA Worldwide S.A., a Spanish stock company and certain of its affiliated entities (collectively, "Grupo ASSA"), pursuant to which we acquired all of the outstanding equity interests in Grupo ASSA. The transaction was simultaneously signed and closed. Grupo

ASSA is a digital business consulting company with operations in Latin America, Europe, and the United States. The aggregate purchase price payable under the equity purchase agreement amounted to \$74.5 million. The fair value of the consideration recognized in our financial statements amounted to \$54.7 million, based on target achievements and price adjustments.

On December 18, 2020, we entered into an equity purchase agreement with the equityholder of BlueCap Management Consulting S.L., a Spanish limited liability company ("BlueCap"), pursuant to which we acquired all of the outstanding equity interests in BlueCap. The transaction was simultaneously signed and closed. BlueCap provides leading financial institutions consulting services primarily related to strategic management of risk, capital and value. The aggregate purchase price payable under the equity purchase agreement amounted to €120 million. The fair value of the consideration recognized in our financial statements amounted to \$149.5 million, based on target achievements and price adjustments.

In May 25, 2021, we entered into an underwriting agreement with Goldman Sachs & Co. LLC and Citigroup Global Markets Inc., as representatives of the underwriters named therein, relating to the offer and sale of an aggregate of 1,380,000 of our common shares, including 180,000 common shares issued as a result of the underwriters' exercise in full of their overallotment option, at a public offering price of \$214.00 per common share.

D. Exchange Controls

See "[Information on the Company — Business Overview — Regulatory Overview — Foreign Exchange Controls.](#)"

E. Taxation

The following is a summary of the material Luxembourg and U.S. federal income tax consequences to U.S. Holders (as defined below) of the ownership and disposition of our common shares. This summary is based upon Luxembourg tax laws and U.S. federal income tax laws (including the Code, final, temporary and proposed Treasury regulations, rulings, judicial decisions and administrative pronouncements), all currently in effect as of the date hereof and all of which are subject to change or changes in wording or administrative or judicial interpretation occurring after the date hereof, possibly with retroactive effect.

As used herein, the term "U.S. Holder" means a beneficial owner of one or more of our common shares:

- (a) that is for U.S. federal income tax purposes one of the following:
 - (i) an individual citizen or resident of the United States,
 - (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any State thereof or the District of Columbia, or
 - (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source;
- (b) who holds the common shares as capital assets for U.S. federal income tax purposes;
- (c) who owns, directly, indirectly or by attribution, less than 10% of our share capital or voting shares; and
- (d) whose holding is not effectively connected with a permanent establishment in Luxembourg.

This summary does not address all of the tax considerations that may apply to holders that are subject to special tax rules, such as U.S. expatriates, insurance companies, tax-exempt organizations, certain financial institutions, persons subject to the alternative minimum tax, dealers and certain traders in securities, persons holding common shares as part of a straddle, hedging, conversion or other integrated transaction, persons who acquired their common shares pursuant to the exercise of employee shares options or otherwise as compensation, partnerships or other entities classified as partnerships for U.S. federal income tax purposes or persons whose functional currency is not the U.S. dollar. Such holders may be subject to U.S. federal income tax consequences different from those set forth below. This discussion (unless indicated otherwise) does not cover any implications of Code section 965 (Treatment of deferred foreign income upon transition to participation exemption system of taxation) or Code section 245A (Deduction for foreign source-portion of dividends received by domestic corporations from specified 10% owned foreign corporations). In addition, this summary does not address all of the Luxembourg tax considerations that may apply to holders that are subject to special tax rules.

If a partnership holds common shares, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partnership, or partner in a partnership, that holds common shares is urged to consult its own tax advisor regarding the specific tax consequences of owning and disposing of the common shares.

Potential investors in our common shares should consult their own tax advisors concerning the specific Luxembourg and U.S. federal, state and local tax consequences of the ownership and disposition of our common shares in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

Luxembourg Tax Considerations

Introduction

The following is an overview of certain material Luxembourg tax consequences of purchasing, owning and disposing of the common shares issued by us. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or deposit our common shares. It is included herein solely for preliminary information purposes and is not intended to be, nor should it construed to be, legal or tax advice. Prospective purchasers of our common shares should consult their own tax advisers as to the applicable tax consequences of the ownership of our common shares, based on their particular circumstances. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities as of the date of this annual report and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis. Please be aware that the residence concept used under the respective headings below applies for Luxembourg tax assessment purposes only. Any reference in this section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax laws and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) and personal income tax (*impôt sur le revenu*) generally. Corporate taxpayers may further be subject to net worth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably applies to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and to the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the company

Income tax

As the company is a fully-taxable Luxembourg company, its net taxable profit is as a rule subject to corporate income tax ("CIT") and municipal business tax ("MBT") at ordinary rates in Luxembourg.

The taxable profit as determined for CIT purposes is applicable, with minor adjustments, for MBT purposes. CIT is levied at an effective maximum rate of 18,19% as from 2019 (inclusive of the 7% surcharge for the employment fund). MBT is levied at a variable rate according to the municipality in which the company is located (6.75% in the City of Luxembourg). The maximum aggregate CIT and MBT rate consequently amounts to 24,94% as from 2019 for companies located in the City of Luxembourg.

Dividends and other payments derived from shares by the company are subject to income taxes, unless the conditions of the participation exemption regime, as described below, are satisfied. A tax credit is generally granted for withholding taxes levied at source within the limit of the tax payable in Luxembourg on such income, whereby any excess withholding tax is not refundable.

Under the participation exemption regime (subject to the relevant anti-abuse rules), dividends derived from shares may be exempt from income tax if (i) the distributing company is a qualified subsidiary ("Qualified Subsidiary") and (ii) at the time the dividend is put at the company's disposal, the company has held or commits itself to hold for an uninterrupted period of at least 12 months shares representing a direct participation in the share capital of the Qualified Subsidiary (i) of at least 10% or (ii) of an acquisition price of at least €1.2 million. A Qualified Subsidiary means (a) a Luxembourg resident fully-taxable company limited by share capital (*société de capitaux*), (b) a company covered by Article 2 of the Council Directive 2011/96/EU of November 30, 2011 as amended (the "EU Parent-Subsidiary Directive") or (c) a non-resident company limited by share capital (*société de capitaux*) liable to a tax corresponding to Luxembourg CIT.

Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. If the conditions of the participation exemption regime are not met, dividends derived by the company from Qualified Subsidiaries may be exempt for 50 % of their gross amount if they are received from (i) a Luxembourg resident fully-taxable company limited by share capital, or (ii) a company limited by share capital resident in a State with which the Grand Duchy of Luxembourg has concluded a double tax treaty and liable to a tax corresponding to Luxembourg CIT, or (iii) a company resident in a EU Member State and covered by Article 2 of the EU Parent-Subsidiary Directive.

Capital gains realized by the company on shares are subject to CIT and MBT at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied. Under the participation exemption regime, capital gains realized on shares of a Qualified Subsidiary may be exempt from CIT and MBT at the level of the company if at the time the capital gain is realized, the company has held or commits itself to hold for an uninterrupted period of at least 12 months shares representing a direct participation in the share capital of the Qualified Subsidiary (i) of at least 10% or (ii) of an acquisition price of at least €6 million. Taxable gains are defined as being the difference between the price for which shares have been disposed of and the lower of their cost or book value.

Withholding tax

Dividends paid by us to the holders of our common shares are as a rule subject to a 15% withholding tax in Luxembourg, unless a reduced withholding tax rate applies pursuant to an applicable double tax treaty or an exemption pursuant to the application of the participation exemption, and, to the extent withholding tax applies, we are responsible for withholding amounts corresponding to such taxation at its source.

If the company and a U.S. relevant holder are eligible for the benefits of the tax treaty concluded between the United State and Luxembourg (the "Treaty"), the rate of withholding on distributions is 15%, or 5% if the beneficial owner is a U.S. relevant holder is a qualified resident company as defined in Article 24 of the Treaty that owns at least 10% of the company's voting stock.

A withholding tax exemption may apply under the participation exemption if cumulatively (i) the holder of our shares is an eligible parent (an "Eligible Parent") and (ii) at the time the income is made available, the holder of our shares has held or commits itself to hold for an uninterrupted period of at least 12 months a direct participation of at least 10% of our share capital or a direct participation of an acquisition price of at least €1.2 million (or an equivalent amount in another currency). Holding a participation through an entity treated as tax transparent from a Luxembourg income tax perspective is deemed to be a direct participation in proportion to the net assets held in this entity. An Eligible Parent includes (a) a company covered by Article 2 of the EU Parent-Subsidiary Directive or a Luxembourg permanent establishment thereof, (b) a company resident in a State having a double tax treaty with Luxembourg and subject to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof, (c) a company limited by share capital (*société de capitaux*) or a cooperative society (*société coopérative*) resident in the European Economic Area other than an EU Member State and liable to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof or (d) a Swiss company limited by share capital (*société de capitaux*) which is effectively subject to corporate income tax in Switzerland without benefiting from an exemption.

No withholding tax is levied on capital gains and liquidation proceeds.

Net wealth tax

The company is as a rule subject to Luxembourg net wealth tax ("NWT") on its net assets as determined for net wealth tax purposes. NWT is levied at the rate of 0.5% on net assets not exceeding EUR 500 million and at the rate of 0.05% on the portion of the net assets exceeding EUR 500 million. Net worth is referred to as the unitary value (*valeur unitaire*), as determined at January 1 of each year. The unitary value is in principle calculated as the difference between (i) assets estimated at their fair market value (*valeur estimée de réalisation*), and (ii) liabilities vis-à-vis third parties.

Under the participation exemption regime, a qualified shareholding held by the company in a Qualified Subsidiary is exempt for net wealth tax purposes.

A minimum net wealth tax ("MNWT") is levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, receivables against related companies, transferable securities and cash at bank exceeds 90% of their total balance sheet and EUR 350,000, the MNWT is set at EUR 4,815. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 4,815 MNWT, the MNWT ranges from EUR 535 to EUR 32,100, depending on the company's total balance sheet.

Other taxes

The issuance of our common shares and any other amendment of our articles of association are currently subject to a €75 fixed registration duty. The disposal of our common shares is not subject to a Luxembourg registration tax or stamp duty, unless recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

Taxation of the holders of common shares

Luxembourg tax residency of the holders of our common shares

A holder of our common shares will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of our common shares or the execution, performance or enforcement of his/her rights thereunder.

Income tax

Luxembourg resident holders

Luxembourg individual residents

Dividends and other payments derived from our common shares by resident individual holders of our common shares, who act in the course of the management of either their private wealth or their professional or business activity, are subject to income tax at the ordinary progressive rates. A tax credit may be granted, under certain circumstances, for Luxembourg withholding tax levied. 50% of the gross amount of dividends received from the company by resident individual holders of our common shares are exempt from income tax.

Capital gains realized on the disposal of our common shares by resident individual holders of our common shares, who act in the course of the management of their private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are subject to income tax at ordinary rates if our common shares are disposed of within six months after their acquisition or if their disposal precedes their acquisition. Speculative gains are subject to income tax as miscellaneous income at ordinary rates. A participation is deemed to be substantial where a resident individual holder of our common shares holds or has held, either alone or together with his spouse or partner and / or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the company whose common shares are being disposed of. A holder of our common shares is also deemed to alienate a substantial participation if he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realized on a substantial participation more than six months after the acquisition thereof are taxed according to the half-global rate method, (*i.e.* the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realized on the disposal of our common shares by resident individual holders of our common shares, who act in the course of their professional or business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which our common shares have been disposed of and the lower of their cost or book value.

Luxembourg fully-taxable corporate residents

Dividends and other payments derived from our common shares by Luxembourg-resident, fully-taxable companies are subject to CIT and MBT, unless the conditions of the participation exemption regime, as described below, are satisfied. A tax credit may, under certain circumstances, be granted for any Luxembourg withholding tax levied. If the conditions of the participation exemption regime are not met, 50% of the gross amount of dividends received by Luxembourg-resident, fully-taxable companies from our common shares are exempt from CIT and MBT.

Under the participation exemption regime, dividends derived from our common shares may be exempt from CIT and MBT at the level of the holder of our common shares if cumulatively (i) the holder of our common shares is a Luxembourg-resident, fully-taxable company and (ii) at the time the dividend is put at the holder of our common shares' disposal, the holder of our common shares has held or commits itself to hold for an uninterrupted period of at least 12 months a qualified shareholding ("Qualified Shareholding"). A Qualified Shareholding means common shares representing a direct participation of at least 10% in the share capital of the company or a direct participation in the company of an acquisition price of at least €1.2 million (or an equivalent amount in another currency). Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Common shares held through a tax-transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

Capital gains realized by a Luxembourg-resident, fully-taxable company on our common shares are subject to CIT and MBT at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied. Under the

participation exemption regime, capital gains realized on our common shares may be exempt from income tax at the level of the holder of our common shares if cumulatively (i) the holder of our common shares is a Luxembourg fully-taxable corporate resident and (ii) at the time the capital gain is realized, the holder of our common shares has held or commits itself to hold for an uninterrupted period of at least 12 months our common shares representing a direct participation in the share capital of the company of at least 10% or a direct participation in the company of an acquisition price of at least €6 million (or an equivalent amount in another currency). Taxable gains are determined as being the difference between the price for which our common shares have been disposed of and the lower of their cost or book value.

Luxembourg residents benefiting from a special tax regime

Holders of our common shares who are either (i) an undertaking for collective investment governed by the amended law of December 17, 2010, (ii) a specialized investment fund governed by the amended law of February 13, 2007, (iii) a family wealth management company governed by the amended law of May 11, 2007 and (iv) a reserved alternative investment fund treated as a specialized investment fund for Luxembourg tax purposes governed by the amended law of July 23, 2016, are exempt from income tax in Luxembourg. Dividends derived from and capital gains realized on our common shares are thus not subject to income tax in their hands.

Luxembourg non-resident holders

Non-resident holders of our common shares who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom our common shares are attributable, are not liable to any Luxembourg income tax on income and gains derived from our common shares except capital gains realized on (i) a substantial participation before the acquisition or within the first six months of the acquisition thereof, or (ii) a substantial participation more than six months after the acquisition thereof by a holder of our common shares who has been a former Luxembourg resident for more than fifteen years and has become a non-resident, at the time of transfer, less than five years ago. A participation is deemed to be substantial where a shareholder holds or has held, either alone or, in case of an individual shareholder, together with his/her spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the company whose common shares are being disposed of. A shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period).

If the company and a U.S. relevant holder are eligible for the benefits of the Treaty, such U.S. relevant holder generally should not be subject to Luxembourg tax on the gain from the disposal of such common shares unless such gain is attributable to a permanent establishment or a permanent representative of such U.S. relevant holder in Luxembourg.

Non-resident holders of our common shares which have a permanent establishment or a permanent representative in Luxembourg to which or whom our common shares are attributable, must include any income received, as well as any gain realized, on the sale, disposal or redemption of our common shares, in their taxable income for Luxembourg tax assessment purposes, unless the conditions of the participation exemption regime, as described below, are satisfied. If the conditions of the participation exemption regime are not fulfilled, 50% of the gross amount of dividends received by a Luxembourg permanent establishment or permanent representative may be, however, exempt from income tax. Taxable gains are determined as being the difference between the price for which the common shares have been disposed of and the lower of their cost or book value.

Under the participation exemption regime, dividends derived from our common shares may be exempt from income tax if cumulatively (i) our common shares are attributable to a qualified permanent establishment ("Qualified Permanent Establishment") and (ii) at the time the dividend is put at the disposal of the Qualified Permanent Establishment, it has held or commits itself to hold a Qualified Shareholding for an uninterrupted period of at least 12 months. A Qualified Permanent Establishment means (a) a Luxembourg permanent establishment of a company covered by Article 2 of the EU Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a company limited by share capital (*société de capitaux*) resident in a State having a tax treaty with Luxembourg, and (c) a Luxembourg permanent establishment of a company limited by share capital (*société de capitaux*) or a cooperative society (*société coopérative*) resident in the European Economic Area other than a EU Member State. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Common shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

Under the participation exemption regime, capital gains realized on our common shares may be exempt from income tax if (i) our common shares are attributable to a Qualified Permanent Establishment and (ii) at the time the capital gain is realized, the Qualified Permanent Establishment has held or commits itself to hold, for an uninterrupted period of at least 12 months, our common shares representing a direct participation in the share capital of the company of at least 10% or a direct

participation in the company of an acquisition price of at least €6 million (or an equivalent amount in another currency). Taxable gains are determined as being the difference between the price for which our common shares have been disposed of and the lower of their cost or book value.

Net Wealth Tax

Luxembourg resident holders of our common shares, as well as non-resident holders of our common shares who have a permanent establishment or a permanent representative in Luxembourg to which or whom our common shares are attributable, are subject to Luxembourg net wealth tax on our common shares, except if the holder is (i) a resident or non-resident individual taxpayer, (ii) a securitization company governed by the amended law of March 22, 2004 on securitization, (iii) a company governed by the amended law of June 15, 2004 on venture capital vehicles, (iv) a professional pension institution governed by the amended law of July 13, 2005, (v) a specialized investment fund governed by the amended law of February 13, 2007, (vi) a family wealth management company governed by the amended law of May 11, 2007, (vii) an undertaking for collective investment governed by the amended law of December 17, 2010 or (viii) a reserved alternative investment fund governed by the amended law of July 23, 2016. However, (i) a securitization company governed by the amended law of March 22, 2004 on securitization, (ii) a company governed by the amended law of June 15, 2004 on venture capital vehicles, (iii) a professional pension institution governed by the amended law of July 13, 2005 and (iv) a reserved alternative investment fund treated as a venture capital vehicle for Luxembourg tax purposes and governed by the amended law of July 23, 2016, remain subject to minimum net wealth tax.

Under the participation exemption, a Qualified Shareholding held in the company by an Eligible Parent or attributable to a Qualified Permanent Establishment may be exempt. The net wealth tax exemption for a Qualified Shareholding does not require the completion of the 12-month holding period.

Other Taxes

Under Luxembourg tax law, where an individual holder of our common shares is a resident of Luxembourg for tax purposes at the time of his or her death, our common shares are included in his or her taxable basis for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of our common shares upon the death of an individual holder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

Gift tax may be due on a gift or donation of our common shares, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

U.S. Federal Income Tax Considerations

Taxation of dividends

Distributions received by a U.S. Holder on common shares, including the amount of any Luxembourg taxes withheld, other than certain pro rata distributions of common shares to all shareholders, will constitute foreign source dividend income to the extent paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, it is expected that such distributions (including any Luxembourg taxes withheld) will be reported to U.S. Holders as dividends. Although it is our intention, if we pay any dividends, to pay such dividends in U.S. dollars, if dividends are paid in euros, the amount of the dividend a U.S. Holder will be required to include in income will equal the U.S. dollar value of the euro, calculated by reference to the exchange rate in effect on the date the payment is received by the U.S. Holder, regardless of whether the payment is converted into U.S. dollars on the date of receipt. If the dividend is converted to U.S. dollars on the date of receipt, a U.S. holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of its receipt. If a U.S. Holder realizes gain or loss on a sale or other disposition of euro, it will be U.S. source ordinary income or loss. U.S. Holders that are corporations generally will not be entitled to claim a dividends received deduction with respect to any distributions they receive from us, except that certain holders of our common shares that are corporations and that directly, indirectly or constructively own 10% or more of our voting power or value may be entitled to a 100% dividends received deduction under certain circumstances. The rules with respect to the dividends received deduction are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances and on whether we are a PFIC (defined below), a "controlled foreign corporation" or both, among other things. You should consult your own tax advisor to determine the effect of the dividends received deduction on your ownership of our common stock. Subject to applicable limitations, dividends received by certain non-corporate U.S. Holders of common shares generally will be taxable at the reduced rate that otherwise applies to long-term capital gains. Non-corporate U.S. Holders should consult their own tax advisors to determine whether they are subject to any

special rules that limit their ability to be taxed at this favorable rate. Certain pro rata distributions of ordinary shares to all shareholders are not generally subject to U.S. federal income tax.

Instead of claiming a credit, a U.S. Holder may elect to deduct foreign taxes (including any Luxembourg taxes) in computing its taxable income, subject to generally applicable limitations. An election to deduct foreign taxes (instead of claiming foreign tax credits) applies to all taxes paid or accrued in the taxable year to foreign countries and possessions of the United States. The limitations on foreign taxes eligible for credit are calculated separately with respect to specific classes of income. The rules governing foreign tax credits are complex. Therefore, U.S. Holders should consult their own tax advisors regarding the availability of foreign tax credits in their particular circumstances.

Taxation upon sale or other taxable disposition of common shares

A U.S. Holder will recognize U.S. source capital gain or loss on the sale or other disposition of common shares, which will be long-term capital gain or loss if the U.S. Holder has held such common shares for more than one year. The amount of the U.S. Holder's gain or loss will be equal to the difference between such U.S. Holder's tax basis in the common shares sold or otherwise disposed of and the amount realized on the sale or other disposition.

Controlled Foreign Corporation

The Tax Cuts and Jobs Act of 2017 (the "2017 Tax Act") eliminated the prohibition on "downward attribution" from non-U.S. persons to U.S. persons under Section 958(b)(4) of the Code for purposes of determining constructive stock ownership under the controlled foreign corporation ("CFC") rules. As a result, our U.S. subsidiary will be deemed to own all of the stock of our non-U.S. subsidiaries held by the Company for CFC purposes. To the extent a non-U.S. subsidiary is treated as a CFC for any taxable year, each U.S. person treated as a "10% U.S. Shareholder" with respect to such CFC that held our common shares directly or indirectly through non-U.S. entities (including the Company) as of the last day in such taxable year that the subsidiary was a CFC would generally be required to include in gross income as ordinary income its pro rata share of certain income of the CFC, regardless of whether that income was actually distributed to such U.S. person. For tax years beginning on or after January 1, 2018, a "10% U.S. Shareholder" of a non-U.S. corporation includes any U.S. person that owns (or is treated as owning) stock of the non-U.S. corporation possessing 10% or more of the total voting power or total value of such non-U.S. corporation's stock. The legislative history under the 2017 Tax Act indicates that this change was not intended to cause our non-U.S. subsidiaries to be treated as CFCs with respect to a 10% U.S. Shareholder that is not related to our U.S. subsidiary. However, it is not clear whether the IRS or a court would interpret the change made by the 2017 Tax Act in a manner consistent with such indicated intent. Treasury and the IRS, in issued guidance, however, have declined to provide relief to unrelated "10% U.S. Shareholders" of foreign-controlled CFCs.

Thus, investors are strongly urged to consult their own tax advisors to determine whether their ownership of our common shares will cause them to become a 10% U.S. Shareholder and the impact of such a classification.

Passive foreign investment company rules

We believe that we will not be a passive foreign investment company ("PFIC") for U.S. federal income tax purposes for this current taxable year and do not expect to become one in the foreseeable future. However, because PFIC status depends upon the composition of our income and assets and the market value of the assets (including, among others, less than 25% owned equity investments) from time to time, there can be no assurance that we will not be considered a PFIC for any taxable year. Because we have valued our goodwill based on the market value of our equity, a decrease in the price of common shares may also result in us becoming a PFIC. The composition of our income and our assets will also be affected by how, and how quickly, we spend our cash. Under circumstances where the cash is not deployed for active purposes, our risk of becoming a PFIC may increase. If we were treated as a PFIC for any taxable year during which a U.S. Holder held common shares, certain adverse tax consequences could apply to the U.S. Holder.

If we were treated as a PFIC for any taxable year during which a U.S. Holder held common shares, gain recognized by a U.S. Holder on a sale or other disposition of common shares would be allocated ratably over the U.S. Holder's holding period for the common shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, and an interest charge would be imposed on the resulting tax liability. The same treatment would apply to any distribution in respect of common shares to the extent it exceeds 125% of the average of the annual distributions on common shares received by the U.S. Holder during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the common shares.

In addition, if we were treated as a PFIC in a taxable year in which we pay a dividend or in the prior taxable year, the reduced rate discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

Information reporting and backup withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting and to backup withholding unless the U.S. Holder is a corporation or other exempt recipient or, in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts.

Not applicable.

H. Documents on Display

As a foreign private issuer, we are subject to periodic reporting and other informational requirements of the Exchange Act as applicable. Accordingly, we are required to file reports, including this annual report on Form 20-F, and other information with the SEC. However, we are allowed four months to file our annual report with the SEC instead of approximately three, and we are not required to disclose certain detailed information regarding executive compensation that is required from United States domestic issuers. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently as companies that are not foreign private issuers whose securities are registered under the Exchange Act. Also, as a foreign private issuer, we are exempt from the rules of the Exchange Act prescribing the furnishing of proxy statements to shareholders, and our senior management, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

As a foreign private issuer, we are also exempt from the requirements of Regulation FD (Fair Disclosure) which, generally, are meant to ensure that select groups of investors are not privy to specific information about an issuer before other investors. We are, however, still subject to the anti-fraud and anti-manipulation rules of the SEC, such as Rule 10b-5. Since many of the disclosure obligations required of us as a foreign private issuer are different than those required by other United States domestic reporting companies, our shareholders, potential shareholders and the investing public in general should not expect to receive information about us in the same amount, and at the same time, as information is received from, or provided by, other United States domestic reporting companies. We are liable for violations of the rules and regulations of the SEC which do apply to us as a foreign private issuer.

Our SEC filings are available to you on the SEC's website at <http://www.sec.gov>.

I. Subsidiaries Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Our market risk exposure results primarily from concentration of credit risk, fluctuations in interest rates and foreign currency rates and inflation. We do not engage in trading of derivative instruments for speculative purposes.

Concentration of Credit and Other Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist primarily of cash and bank balances, short-term investments and trade receivables. These financial instruments approximate fair value due to short-term maturities. We maintain our cash and bank balances and short-term investments with high credit quality financial institutions. Our investment portfolio is primarily comprised of time deposits and corporate and treasury bonds. We believe that our credit policies reflect normal industry terms and business risk. We do not anticipate non-performance by the counterparties and, accordingly, do not require collateral.

Trade receivables are generally dispersed across our clients in proportion to the revenues we generate from them. For the years ended December 31, 2021, 2020 and 2019, our top five clients accounted for 26.7%, 30.6% and 26.1%, respectively, of our net revenues. Our top client for the years ended December 31, 2021, 2020 and 2019, accounted for 10.9%, 11.0% and 11.2%, respectively. Our top client for 2021, 2020 and 2019 was Walt Disney Parks and Resorts Online. As of December 31, 2021, 2020 and 2019, accounts receivable from Walt Disney Parks and Resorts Online represented 7.4%, 9.6% and 8.0% of our total accounts receivable, respectively.

Credit losses and write-offs of trade receivable balances have historically not been material to our consolidated financial statements.

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our cash and bank balances and our credit facilities. Our credit line in the United States bear interest at fixed rate between 1.5% or 1.75%. During 2020 we entered into four interest rate swap transactions with the purpose of hedging the exposure to variable interest rate.

Based on our debt position as of December 31, 2021, if we needed to refinance our existing debt, a 1% increase in interest rates would not materially impact us.

We have not been exposed to material risks due to changes in market interest rates. However, our future financial costs related to borrowings may increase and our financial income may decrease due to changes in market interest rates.

Foreign Exchange Risk

Our exchange rate risk arises in the ordinary course of our business primarily from our foreign currency expenses and, to a lesser extent, revenues. We are also exposed to exchange rate risk on the portion of our cash and bank balances, investments and trade receivables that is denominated in currencies other than the U.S. dollar and on other receivables, such as tax credits.

Our consolidated financial statements are prepared in U.S. dollars. Because the majority of our operations are conducted in Latin America and Asia, we incur the majority of our operating expenses and capital expenditures in non-U.S. dollar currencies, primarily the Uruguayan peso, Colombian peso, Chilean peso, Mexican peso, Peruvian sol and Brazilian real. 75.4% of our revenues for the year ended December 31, 2021 was generated in U.S. dollars, with the balance being generated primarily in Euros and, to a lesser extent, other currencies (including the Chilean peso, Argentine peso and the Mexican peso). The following table shows the breakdown of our revenues by the currencies in which they were generated during the years ended December 31, 2021, 2020 and 2019, respectively.

By Currency	Year ended December 31, (in thousands)					
	2021		2020		2019	
USD	\$ 977,349	75.4 %	\$ 699,769	86.0 %	563,747	85.5 %
EUR	111,177	8.6 %	35,454	4.4 %	28,237	4.3 %
CLP	57,610	4.4 %	3,237	0.4 %	2,315	0.4 %
ARS	47,039	3.6 %	33,594	4.1 %	26,948	4.1 %
MXN	40,064	3.1 %	21,624	2.7 %	19,939	3.0 %
BRL	23,850	1.8 %	10,795	1.3 %	8,030	1.2 %
GBP	20,565	1.6 %	1,331	0.2 %	3,012	0.5 %
COP	9,803	0.8 %	7,791	1.0 %	6,831	1.0 %
PEN	9,058	0.7 %	8	— %	—	— %
Others	563	— %	536	0.1 %	266	— %
Revenues	1,297,078	100.0 %	814,139	100.0 %	659,325	100.0 %

A small percentage of our trade receivables is generated from net revenues earned in non-U.S. dollar currencies (primarily Euros, British pounds sterling, the Chilean peso, the Argentine peso, the Mexican peso, the Brazilian Real and the Colombian peso).

Our results of operations can be affected if the Argentine peso, Colombian peso, Indian Rupee, Uruguayan peso, Mexican peso, Euros or British pound appreciate or depreciate against the U.S. dollar.

The following tables illustrate our sensitivity to increases and decreases in the U.S. dollar against the relevant foreign currency. The following sensitivity analysis includes outstanding foreign currency denominated monetary items at December 31, 2021 and adjusts their translation at the year-end for changes in U.S. dollars against the relevant foreign currency.

Account	Currency	Amount	Gain/(loss)			
			% Increase	Amount	% Decrease	Amount
Net balances	Argentine pesos	\$ 12,441	30 %	\$ (2,871)	10 %	\$ 1,382
	Colombian pesos	(49,425)	10 %	4,493	10 %	(5,492)
	Indian Rupees	(16,670)	10 %	1,515	10 %	(1,852)
	European Union euros	(61,658)	10 %	5,605	10 %	(6,851)
	Mexican pesos	(12,933)	10 %	1,176	10 %	(1,437)
	Sterling pound	(32,694)	10 %	2,972	10 %	(3,633)
	Uruguayan pesos	(8,962)	10 %	815	10 %	(996)
	Total	(169,901)		13,705		(18,879)

Our subsidiaries in Argentina, Chile, Colombia, India and Uruguay entered into foreign exchange forward and future contracts in order to mitigate the risk of fluctuations in the foreign exchange rate and reduce the impact in the financial statements.

Depreciation of the Argentine Peso

During 2021, the Argentine peso experienced a 22.09% devaluation from 84.05 Argentine peso per U.S. dollar to 102.62 Argentine peso per U.S. dollar.

During 2020, the Argentine peso experienced a 40.58% devaluation from 59.79 Argentine peso per U.S. dollar to 84.05 Argentine peso per U.S. dollar. As explained in note 29.10 to our audited consolidated financial statements, the Argentine's subsidiaries entered into foreign exchange forward and future contracts in order to mitigate the risk of fluctuations in the foreign exchange rate and reduce the impact in costs and expenses.

We periodically evaluate the need for hedging strategies with our board of directors, including the use of such instruments to mitigate the effect of foreign exchange rate fluctuations. During the year ended December 31, 2021, our operating subsidiaries Sistemas Globales S.A., Sistemas Colombia S.A., Sistemas Globales Chile Asesorías Ltda., IAFH Globant IT México S. de R.L de C.V., Globant India Private Limited and Sistemas Globales Uruguay S.A. entered into foreign exchange forward contracts to reduce their risk of exposure to fluctuations in foreign currency. As of December 31, 2021 and 2020, the foreign exchange forward contracts were recognized, according to IFRS 9. We may in the future, as circumstances warrant, decide to enter into derivative transactions to reduce our exposure to appreciation or depreciation in the value of certain foreign currencies.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES.

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II.

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES.

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS.

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

a) Disclosure Controls and Procedures

As of December 31, 2021, our management, with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation pursuant to Rule 13a-15 promulgated under the Securities Exchange Act of 1934, of the effectiveness of our disclosure controls and procedures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that Company's disclosure controls and procedures were effective as of December 31, 2021.

b) Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed under the supervision of our Chief Executive Officer and Chief Financial Officer that: (i) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements for external reporting in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorization of our management and directors; and (iii) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In making this assessment, our management used the criteria established in "Internal Control — Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). As a result of this assessment, our management has determined that our internal control over financial reporting was effective as of December 31, 2021.

Our management has excluded Walmeric, Atix and Navint, which were acquired on July 8, 2021, October 4, 2021 and November 30, 2021, respectively from its assessment of internal control over financial reporting as of December 31, 2021. In aggregate, the aforementioned entities constitute 0.9% of our consolidated assets and 0.8% of consolidated revenues as of and for the year ended December 31, 2021.

c) Attestation Report of the Registered Public Accounting Firm

Our independent registered public accounting firm, Price Waterhouse & Co. S.R.L., has issued an attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2021, appearing under "[Item 18. Financial Statements](#)" on page F-3 of this Annual Report on Form 20-F.

d) Changes in internal control over financial reporting

There were no changes in our internal controls over financial reporting as defined in Rule 13a-15(d), under the Securities Exchange Act of 1934, as amended, that occurred during the period covered by this annual report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT.

See “[Directors, Senior Management and Employees—Board Practices—Board Committees—Audit Committee](#).” Our Board of Directors has determined that Mario Vázquez qualifies as an “audit committee financial expert” under applicable SEC rules.

ITEM 16B. CODE OF ETHICS.

Effective as of July 23, 2014, we adopted a code of business conduct and ethics which sets the guidelines and principles necessary for promoting and assuring good behavior within the organization. On January 26, 2022, our board of directors approved and adopted the 2022 Code of Ethics, which will become effective on March 1, 2022. The new code introduces new important topics, including, among others, anti-money laundering provisions, protection of Globant's image and proper use of social media, third party's audits and government investigations and matters of integration and diversity. A copy of that code is available on our website at investors.globant.com/code-of-ethics. Any amendments to such code will be disclosed on our website.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The following table provides information on the aggregate fees billed by our principal auditor, Price Waterhouse & Co. S.R.L. for the years 2021 and 2020, classified by type of service rendered for the periods indicated, in thousands of dollars:

	2021	2020
	(\$ in thousands)	
Audit Fees ⁽¹⁾	\$ 1,513	\$ 1,216
Audit Related Fees ⁽²⁾	331	100
Tax Services Fees ⁽³⁾	—	—
All Other Fees ⁽⁴⁾	—	—
Total	1,844	1,316

⁽¹⁾ “Audit Fees” includes fees billed for professional services rendered by the principal accountant in connection with the audit of the annual financial statements, certain procedures regarding our quarterly financial results, revisions of purchase price allocations related to acquisitions and services in connection with statutory and regulatory filings.

⁽²⁾ “Audit Related Fees” includes fees billed for professional services rendered by the principal accountant and not included under the prior category. These services include, among others, and fees relating to the issuance of comfort letters and other procedures in connection with our offering of securities.

⁽³⁾ “Tax Services Fees” includes fees billed for professional services rendered by the principal accountant for tax compliance, advice and planning.

⁽⁴⁾ “All Other Fees” includes fees billed for products and services provided by the principal accountant, other than Audit Fees, Audit-Related Fees and Tax Fees.

Audit Committee Approval Policies and Procedure

In accordance with the audit committee's charter, all fees and retention terms relating to audit and non-audit services performed by our independent auditors must be pre-approved by the audit committee. The audit committee makes annual recommendations to the general meeting of shareholders of the company regarding the appointment, replacement, base compensation, evaluation and oversight of the work of the independent auditors to be retained to audit the annual financial statements of the company and review the quarterly financial statements of the company.

The audit committee oversees the relationship with the independent auditors, including discussing with the auditors the planning and staffing of the audit and the nature and rigor of the audit process, receiving and reviewing audit reports, reviewing with the auditors any problems or difficulties the auditors may have encountered in carrying out their responsibilities and any

board of directors' letters provided by the auditors and the company's response to such letters, and providing the auditors full access to the audit committee and the board of directors to report on all appropriate matters.

The audit committee provides oversight of the company's auditing, accounting and financial reporting principles, policies, controls, procedures and practices, and reviews significant changes to the foregoing as suggested by the independent auditors, internal auditors or the board of directors.

The audit committee approved all of the services described above and determined that the provision of such services is compatible with maintaining the independence of Price Waterhouse & Co. S.R.L. and Deloitte & Co. S.A. and affiliates.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES.

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS.

See "[Item 6. Directors, Senior Management and Employees - Employees - 2021 Employee Stock Purchase Plan](#)"

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT.

The disclosure called for by paragraph (a) of this Item 16F was previously reported, as that term is defined in Rule 12b-2 under the Exchange Act, in "Item 16F. Change in Registrant's Certifying Accountant" of our annual report on Form 20-F for the fiscal year ended December 31, 2020, filed with the SEC on February 26, 2021.

ITEM 16G. CORPORATE GOVERNANCE.

Corporate Governance Practices

Our corporate governance practices are governed by Luxembourg law (particularly the law of August 10th, 1915 on commercial companies as amended) and our articles of association.

As a Luxembourg company listed on the NYSE, we are not required to comply with all of the corporate governance listing standards of the NYSE for U.S. listed companies. We, however, believe that our corporate governance practices meet or exceed, in all material respects, the corporate governance standards that are generally required by the NYSE for U.S. listed companies. Below is a summary of the significant ways that our corporate governance practices differ from the corporate governance standards required for listed U.S. companies by the NYSE (provided that our corporate governance practices may differ in non-material ways from the standards required by the NYSE that are not detailed here).

Majority of Independent Directors

Under NYSE standards, U.S. listed companies must have a majority of independent directors. There is no legal obligation under Luxembourg law to have a majority of independent directors on the board of directors.

Non-management Directors' Meetings

Under NYSE standards, non-management directors must meet at regularly scheduled executive sessions without management present and, if such group includes directors who are not independent, a meeting should be scheduled once per year including only independent directors. Luxembourg law does not require holding of such meetings. For additional information, see "[Directors, Senior Management and Employees - Directors and Senior Management](#)."

Audit Committee

Under NYSE standards, listed U.S. companies are required to have an audit committee composed of independent directors that satisfies the requirements of Rule 10A-3 promulgated under the Exchange Act of 1934. Luxembourg law also provides for an audit committee and related rules. Our articles of association provide that the board of directors may set up an audit committee. The board of directors has set up an Audit Committee and has appointed Messrs. Odeen, Vázquez and Ms. Pinelli, with Mr. Vázquez serving as the chairman of our audit committee. Each of Messrs. Odeen, Vázquez and Ms. Pinelli satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE as well as under Rule 10A-3 under the Exchange Act. For additional information, see "[Directors, Senior Management and Employees — Board Practices](#)".

Under NYSE standards, all audit committee members of listed U.S. companies are required to be financially literate or must acquire such financial knowledge within a reasonable period and at least one of its members shall have experience in accounting or financial administration. In addition, if a member of the audit committee is simultaneously a member of the audit committee of more than three public companies, and the listed company does not limit the number of audit committees on which its members may serve, then in each case the board must determine whether the simultaneous service would prevent such member from effectively serving on the listed company's audit committee and shall publicly disclose its decision. Under Luxembourg law, at least one member of the audit committee must be financially literate and the committee members as a whole shall have competence relevant to the sector in which the company is operating.

Standards for Evaluating Director Independence

Under NYSE standards, the board is required, on a case by case basis, to express an opinion with regard to the independence or lack of independence of each individual director. Neither Luxembourg law nor our articles of association require the board to express such an opinion.

Audit Committee Responsibilities

The NYSE requires certain matters to be set forth in the audit committee charter of U.S. listed companies. Our audit committee charter provides for many of the responsibilities that are expected from such bodies under the NYSE standard; however, the charter does not contain all such responsibilities, including provisions related to setting hiring policies for employees or former employees of independent auditors.

Corporate Governance and Nominating Committee

The NYSE requires that a listed U.S. company has a corporate governance and nominating committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee.

The board of directors has set up corporate governance and nominating committee and has appointed Ms. Rottenberg and Messrs. Álvarez-Demalde and Haythornthwaite, with Ms. Rottenberg serving as chairman of our corporate governance and nominating committee. Each of Ms. Rottenberg and Messrs. Álvarez-Demalde and Haythornthwaite satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE. For additional information, see "[Directors, Senior Management and Employees — Board Practices](#)".

Compensation Committee

The NYSE requires that a listed U.S. company have a compensation committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee.

The current members of our compensation committee are Messrs. Odeen, Vázquez and Haythornthwaite, with Mr. Odeen serving as chairman. Each of Messrs. Odeen, Vázquez and Haythornthwaite satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE. For additional information, see "[Directors, Senior Management and Employees—Board Practices](#)".

Shareholder Voting on Equity Compensation Plans

Under NYSE standards, shareholders of U.S. listed companies must be given the opportunity to vote on equity compensation plans and material revisions thereto, except for employment inducement awards, certain grants, plans and amendments in the context of mergers and acquisitions, and certain specific types of plans. Neither Luxembourg corporate law nor our articles of incorporation require shareholder approval of equity based compensation plans. Luxembourg law only requires approval of the board of directors for the adoption of equity based compensation plans.

Code of Business Conduct and Ethics

Under NYSE standards, listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers. Effective as of July 23, 2014 we adopted a code of business conduct and ethics applicable to our principal executive, financial and accounting officers and all persons performing similar functions. On January 26, 2022, our board of directors approved and adopted the 2022 Code of Ethics, which will become effective on March 1, 2022. The new code introduces new important topics, including, among others, anti-money laundering provisions, protection of Globant's image and proper use of social media, third party's audits and government investigations and matters of integration and diversity. A copy of that code, as amended, is available on our website at www.globant.com.

Chief Executive Officer Certification

A chief executive officer of a U.S. company listed on NYSE must annually certify that he or she is not aware of any violation by the company of NYSE corporate governance standards. In accordance with NYSE rules applicable to foreign private issuers, our chief executive officer is not required to provide NYSE with this annual compliance certification. However, in accordance with NYSE rules applicable to all listed companies, our chief executive officer must promptly notify NYSE in writing after any of our executive officers becomes aware of any noncompliance with any applicable provision of NYSE's corporate governance standards. In addition, we must submit an executed written affirmation annually and an interim written affirmation each time a change occurs to the board or the audit committee.

ITEM 16H. MINE SAFETY DISCLOSURE.

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III.

ITEM 17. FINANCIAL STATEMENTS.

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS.

Our Consolidated Financial Statements are included at the end of this annual report.

ITEM 19. EXHIBITS.

The following exhibits are filed or incorporated by reference as part of this annual report:

Exhibit No.	Description
1.1	Amended Articles of Association, dated January 25, 2022.
2.1	Description of Capital Stock.
4.1	Globant S.A. 2014 Equity Incentive Plan; incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form F-1 (SEC File No. 333-190841), filed with the SEC on May 28, 2014.
4.2	Amendment No. 1 to the Globant S.A. 2014 Equity Incentive Plan; incorporated by reference to Exhibit 99.2 to the Registrant's Registration Statement on Form S-8 (SEC File No. 333-211835), filed with the SEC on June 3, 2016.
4.3	Amendment No. 2 to the Globant S.A. 2014 Equity Incentive Plan; incorporated by reference to Exhibit 99.3 to the Registrant's Registration Statement on Form S-8 (SEC File No. 333-232022), filed with the SEC on June 7, 2019.
4.4	Amendment No. 3 to Globant S.A. 2014 Equity Incentive Plan; incorporated by reference to Post-Effective Amendment No.1 to the Registrant's Form S-8 (SEC File No. 333-232022), filed with the SEC on May 24, 2021.
4.5	Form of Nonstatutory Stock Option Notice; incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form F-1 (SEC File No. 333-190841), filed with the SEC on May 28, 2014.
4.6	Form of Nonstatutory Stock Option Notice — International; incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form F-1 (SEC File No. 333-190841), filed with the SEC on May 28, 2014.
4.7	Form of Time Restricted Stock Unit Notice and Time Restricted Stock Unit Agreement; incorporated by reference to Exhibit 4.7 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on February 28, 2020.
4.8	Form of Performance Restricted Stock Unit Notice and Performance Restricted Stock Unit Agreement, incorporated by reference to Exhibit 4.7 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on February 26, 2021.
4.9	Equityholders Additional Agreement, dated May 7, 2012, by and among Paldwick S.A., Martín Migoya, Martín Gonzalo Umaran, Néstor Augusto Nocetti, Guibert Andrés Englebienne, Riverwood Capital LLC, RW Holdings S.à.r.l., ITO Holdings S.à.r.l., Endeavor Global, Inc. and IT Outsourcing S.L.; incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form F-1 (SEC File No. 333-190841), filed with the SEC on May 28, 2014.
4.10	Second Amended and Restated Credit Agreement, dated February 6, 2020, by and among Globant, LLC, as borrower, HSBC Bank USA, National Association, Citibank N.A., BNP Paribas, BBVA USA, Truist Bank, US Bank National Association, Silicon Valley Bank, JPMorgan Chase Bank, N.A, Bank of America, N.A, as lenders, and HSBC Bank USA, N.A., as administrative agent, issuing bank and swingline lender; incorporated by reference to Exhibit 4.9 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on February 28, 2020.
4.11	Amendment No. 1 to Second Amended and Restated Credit Agreement, dated October 1, 2021, by and among Globant, LLC, as borrower, HSBC Bank USA, National Association, Citibank N.A., BNP Paribas, BBVA USA, Truist Bank, US Bank National Association, Silicon Valley Bank, JPMorgan Chase Bank, N.A, Bank of America, N.A, as lenders, and HSBC Bank USA, N.A., as administrative agent, issuing bank and swingline lender.
4.12	Guaranty, dated August 3, 2017, made by Globant S.A. (Luxembourg) in favor of HSBC Bank USA, N.A., as administrative agent, incorporated by reference to Exhibit 4.8 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on April 13, 2018.

4.13	Guaranty, dated August 3, 2017, made by Globant, S.A. (Spain) in favor of HSBC Bank USA, N.A., as administrative agent, Guaranty, dated August 3, 2017, made by Globant, S.A. (Spain) in favor of HSBC Bank USA, N.A., as administrative agent, incorporated by reference to Exhibit 4.9 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on April 13, 2018, by reference to Exhibit 4.9 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on April 13, 2018.
4.14	Security Agreement, dated August 3, 2017, by and between Globant, LLC, as grantor, and HSBC Bank USA, N.A., as administrative agent, incorporated by reference to Exhibit 4.10 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on April 13, 2018.
4.15*	Equity Purchase Agreement, dated July 31, 2020, by and among the sellers identified therein and Globant España S.A. (sociedad unipersonal) and Software Product Creation S.L., as purchasers; incorporated by reference to Exhibit 4.15 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on February 26, 2021.
4.16*	Equity Purchase Agreement, dated December 18, 2020, by and among the sellers identified therein and Software Product Creation S.L., as purchaser; incorporated by reference to Exhibit 4.16 to the Registrant's Annual Report on Form 20-F (SEC File No. 001-36535), filed with the SEC on February 26, 2021.
4.17	Underwriting Agreement, dated May 25, 2021, by and among the Company and Goldman Sachs & Co. LLC and Citigroup Global Markets Inc., as representatives of the underwriters named therein.
4.18	Globant S.A. 2021 Employee Stock Purchase Plan; incorporated by reference to Exhibit 99.1 of the Registrant's Report of Foreign Private Issuer on Form 6-K, filed with the SEC on March 1, 2021.
8.1	List of Subsidiaries.
12.1	Certification of Martín Mígoya, Chief Executive Officer of Globant S.A., pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
12.2	Certification of Juan Ignacio Urthiague, Chief Financial Officer of Globant, S.A., pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
13.1	Certification of Martín Mígoya, Chief Executive Officer of Globant S.A., pursuant to Section 906 of the Sarbanes Oxley Act of 2002.
13.2	Certification of Juan Ignacio Urthiague, Chief Financial Officer of Globant, S.A., pursuant to Section 906 of the Sarbanes Oxley Act of 2002.
15.1	Consent of Price Waterhouse & Co. S.R.L.
15.2	Consent of Deloitte & Co. S.A.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Portions of this document (indicated by “[***]”) have been omitted because they are both not material and are the type that Globant S.A. treats as private and confidential.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Date: February 28, 2022

GLOBANT S.A.

By: _____ /s/ Juan Ignacio Urthiague

Name: Juan Ignacio Urthiague
Title: Chief Financial Officer

GLOBANT S.A.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements as of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021	
Report of Independent Registered Public Accounting Firm - (PCAOB - ID 1349)	F-3
Report of Independent Registered Public Accounting Firm - (PCAOB - ID 1088)	F-6
Consolidated Statement of Comprehensive Income for the Years ended December 31, 2021, 2020 and 2019	F-7
Consolidated Statements of Financial Position as of December 31, 2021 and 2020	F-9
Consolidated Statements of Changes in Equity for the Years ended December 31, 2021, 2020 and 2019	F-10
Consolidated Statements of Cash Flows for the Years ended December 31, 2021, 2020 and 2019	F-12
Notes to the Consolidated Financial Statements	F-14



Globant S.A.

Consolidated Financial Statements as of December 31, 2021 and
December 31, 2020 and for each of the three years in the period ended
December 31, 2021

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of Globant S.A.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of financial position of Globant S.A. and its subsidiaries (the "Company") as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As described in Management's Annual Report on Internal Control over Financial Reporting, management has excluded Navint Partners, LLC and its affiliated entities (collectively, "Navint Group"), Atix Labs S.R.L. and Atix Labs LLC, (collectively "Atix Labs"), and Walmeric Soluciones, S.L., ("Walmeric") from its assessment of internal control over financial reporting as of December 31, 2021 because they were acquired by the Company in purchase business combinations during 2021. We have also excluded Navint Group, Atix Labs and Walmeric from our audit of

internal control over financial reporting. Navint Group, Atix Labs and Walmeric are consolidated subsidiaries whose total assets and total revenues excluded from management's assessment and our audit of internal control over financial reporting collectively represent approximately 0.9% and 0.8%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2021.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Acquisition of Walmeric Soluciones, S.L.– Valuation of Customer Relationships

As described in Note 26.14 to the consolidated financial statements, the Company completed the acquisition of Walmeric for an aggregate consideration of \$53 million on July 8, 2021, of which approximately \$7 million was allocated to the customer relationship intangible asset. The fair value of the customer relationship intangible asset was determined using the multi-period excess earnings method based on discounted projected net cash flows. Management's key assumptions used in estimating future cash flows included projected revenue growth rates, customer attrition rates and the discount rate.

The principal considerations for our determination that performing procedures relating to the acquisition of Walmeric– valuation of customer relationships is a critical audit matter are (i) there was significant judgment by management in developing the estimated fair value using the multi-period excess earnings method, which in turn led to a high degree of auditor judgment and subjectivity in applying procedures relating to management's fair value estimate of customer relationships acquired; (ii) significant audit effort was required in evaluating the significant assumptions relating to the estimate, including the revenue growth rates and the customer attrition rates used in the cash flow projections and the discount rate used to estimate present value of the projected future cash flows; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the acquisition accounting, including controls over development of the assumptions related to the valuation of the customer relationships, including revenue growth rates, customer attrition rates and the discount rate. These procedures also included, among others, (i) reading the purchase agreement and (ii) testing management's cash flow projections used to estimate the fair value of the customer relationships, which included evaluating the reasonableness of significant assumptions used by management relating to the estimate, including the revenue growth rates, customer attrition rates and the discount rate. Evaluating the reasonableness of the revenue growth rates and customer attrition rates involved considering the past performance of the acquired businesses, as well as economic and industry public information. The discount rate was evaluated by considering the cost of capital of comparable businesses, other industry factors and the implied rate of return on the overall transaction. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's multi-period excess earnings method used to determine the fair value estimate of the acquired customer relationships and certain assumptions, including customer attrition rates and the discount rate.

/s/ PRICE WATERHOUSE & CO. S.R.L.

Reinaldo Sergio Cravero (Partner)

Autonomous City of Buenos Aires, Argentina
February 28, 2022

We have served as the Company's auditor since 2020.



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Globant S.A.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2019 of Globant S.A. and subsidiaries (the "Company"), and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the results of the Company's operations, its changes in equity and its cash flows for the year ended December 31, 2019, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

/s/ Deloitte & Co. S.A.
Autonomous City of Buenos Aires, Argentina

February 25, 2020

We began serving as the Company's auditor in 2009. In 2020 we became the predecessor auditor.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

(in thousands of U.S. dollars, except per share amounts)

	Notes	For the year ended December 31,		
		2021	2020	2019
Revenues	5	1,297,078	814,139	659,325
Cost of revenues	6.1	(802,090)	(509,812)	(405,164)
Gross profit		494,988	304,327	254,161
Selling, general and administrative expenses	6.2	(343,004)	(217,222)	(172,478)
Net impairment losses on financial assets		(7,551)	(3,080)	(228)
Other operating income and expenses, net		—	(83)	(720)
Profit from operations		144,433	83,942	80,735
Finance income	7	652	1,920	958
Finance expense	7	(12,708)	(10,430)	(6,653)
Other financial results, net	7	(3,923)	3,601	(5,894)
Financial results, net		(15,979)	(4,909)	(11,589)
Share of results of investment in associates	12.2	(233)	(622)	(224)
Other income and expenses, net	8	(3,369)	(1,887)	110
Profit before income tax		124,852	76,524	69,032
Income tax	9.1	(28,497)	(22,307)	(15,017)
Net income for the year		96,355	54,217	54,015
Other comprehensive income (loss) net of income tax effects				
Items that may be reclassified subsequently to profit and loss:				
- Exchange differences on translating foreign operations		(3,733)	(398)	(400)
- Net change in fair value on financial assets measured at FVOCI		1	—	(373)
- Gains and losses on cash flow hedges		11	281	352
Total comprehensive income for the year		92,634	54,100	53,594
Net income attributable to:				
Owners of the Company		96,065	54,217	54,015
Non-controlling interest		290	—	—
Net income for the year		96,355	54,217	54,015
Total comprehensive income for the year attributable to:				
Owners of the Company		92,344	54,100	53,594
Non-controlling interest		290	—	—
Total comprehensive income for the year		92,634	54,100	53,594

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

(in thousands of U.S. dollars, except per share amounts)

	Notes	For the year ended December 31,		
		2021	2020	2019
Earnings per share				
Basic	10	2.35	1.41	1.48
Diluted	10	2.28	1.37	1.43
Weighted average of outstanding shares (in thousands)				
Basic	10	40,940	38,515	36,586
Diluted	10	42,076	39,717	37,674

The accompanying notes 1 to 34 are an integral part of these consolidated financial statements

GLOBANT S.A.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2021 AND 2020
(in thousands of U.S. dollars)

	Notes	As of December 31,	
		2021	2020
ASSETS			
Current assets			
Cash and cash equivalents	11	427,804	278,939
Investments	12.1	32,581	19,284
Trade receivables	13	300,109	196,020
Other assets	17	7,855	8,146
Other receivables	14	49,194	31,633
Other financial assets	18	2,057	1,577
Total current assets		819,600	535,599
Non-current assets			
Trade receivables	13	—	5,644
Investments	12.1	1,027	615
Other assets	17	8,583	6,954
Other receivables	14	24,263	9,629
Deferred tax assets	9.2	58,404	41,507
Investment in associates	12.2	—	3,154
Other financial assets	18	25,233	15,147
Property and equipment	15	133,571	101,027
Intangible assets	16	102,016	86,721
Right-of-use asset	28	144,581	90,010
Goodwill	26.20	572,959	392,760
Total non-current assets		1,070,637	753,168
TOTAL ASSETS		1,890,237	1,288,767
LIABILITIES			
Current liabilities			
Trade payables	19	63,210	35,266
Payroll and social security taxes payable	20	184,464	111,881
Borrowings	21	10,305	907
Other financial liabilities	18	63,059	19,822
Lease liabilities	28	25,917	15,358
Tax liabilities	22	18,071	11,804
Income tax payable		20,318	10,511
Other liabilities		955	81
Total current liabilities		386,299	205,630
Non-current liabilities			
Trade payables	19	6,387	5,240
Borrowings	21	1,935	25,061
Other financial liabilities	18	66,932	74,376
Lease liabilities	28	108,568	72,240
Deferred tax liabilities	9.2	1,289	13,698
Income tax payable		877	—
Contingent liabilities	23	9,637	12,583
Total non-current liabilities		195,625	203,198
TOTAL LIABILITIES		581,924	408,828
Capital and reserves			
Issued capital		50,080	47,861
Additional paid-in capital		872,030	541,157
Other reserves		(6,395)	(2,674)
Retained earnings		389,660	293,595
Total equity attributable to owners of the Company		1,305,375	879,939
Non-controlling interests		2,938	—
Total equity		1,308,313	879,939
TOTAL EQUITY AND LIABILITIES		1,890,237	1,288,767

The accompanying notes 1 to 34 are an integral part of these consolidated financial statements

GLOBANT S.A.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(in thousands of U.S. dollars except number of shares issued)

	Number of Shares Issued ⁽¹⁾	Issued capital	Additional paid-in capital	Retained earnings	Foreign currency translation reserve	Investment revaluation reserve	Attributable to owners of the Parent	Total
Balance at January 1, 2019	35,965,662	43,158	109,559	187,335	(2,097)	(39)	337,916	337,916
Adjustment on initial application of IFRS 16	—	—	—	(1,972)	—	—	(1,972)	(1,972)
Issuance of shares under share-based compensation plan (see note 30.1)	899,100	1,079	21,475	—	—	—	22,554	22,554
Issuance of shares under subscription agreement (see note 30.1)	98,857	119	7,651	—	—	—	7,770	7,770
Share-based compensation plan (see note 25)	—	—	18,852	—	—	—	18,852	18,852
Other comprehensive income (loss) for the year	—	—	—	—	(400)	(21)	(421)	(421)
Net income for the year	—	—	—	54,015	—	—	54,015	54,015
Balance at December 31, 2019	36,963,619	44,356	157,537	239,378	(2,497)	(60)	438,714	438,714

	Number of Shares Issued ⁽¹⁾	Issued capital	Additional paid-in capital	Retained earnings	Foreign currency translation reserve	Investment revaluation reserve and cash flow hedge reserve	Total
Issuance of shares under share-based compensation plan (see note 30.1)	394,319	473	18,357	—	—	—	18,830
Issuance of shares under subscription agreement (see note 30.1)	226,850	272	46,026	—	—	—	46,298
Common shares issued pursuant to the June 2020 public offering (see note 30.2)	2,300,000	2,760	298,120	—	—	—	300,880
Share-based compensation plan (see note 25)	—	—	21,117	—	—	—	21,117
Other comprehensive income (loss) for the year	—	—	—	—	(398)	281	(117)
Net income for the year	—	—	—	54,217	—	—	54,217
Balance at December 31, 2020	39,884,788	47,861	541,157	293,595	(2,895)	221	879,939

GLOBANT S.A.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(in thousands of U.S. dollars except number of shares issued)

	Number of Shares Issued ⁽¹⁾	Issued capital	Additional paid-in capital	Retained earnings	Foreign currency translation reserve	Investment revaluation reserve and cash flow hedge reserve	Attributable to owners of the Parent	Non-controlling interest	Total
Balance at January 1, 2021	39,884,788	47,861	541,157	293,595	(2,895)	221	879,939	—	879,939
Issuance of shares under share-based compensation plan (see note 30.1)	449,078	539	27,065	—	—	—	27,604	—	27,604
Issuance of shares under ESPP plan (note 25.4)	7,453	9	2,331	—	—	—	2,340	—	2,340
Issuance of shares under subscription agreement (see note 30.1)	38,879	47	9,074	—	—	—	9,121	—	9,121
Equity settled deferred consideration (note 26)	—	—	2,152	—	—	—	2,152	—	2,152
Common shares issued pursuant to the May 2021 public offering (see note 30.2)	1,380,000	1,656	284,551	—	—	—	286,207	—	286,207
Share-based compensation plan (see note 25)	—	—	29,209	—	—	—	29,209	—	29,209
Repurchase of shares (note 25.4)	(27,000)	(32)	(7,224)	—	—	—	(7,256)	—	(7,256)
Non-controlling interest arising on a business combination (note 26.14)	—	—	—	—	—	—	—	2,648	2,648
Put option over non-controlling interest (note 26)	—	—	(16,285)	—	—	—	(16,285)	—	(16,285)
Other comprehensive income (loss) for the year	—	—	—	—	(3,733)	12	(3,721)	—	(3,721)
Net income for the year	—	—	—	96,065	—	—	96,065	290	96,355
Balance at December 31, 2021	41,733,198	50,080	872,030	389,660	(6,628)	233	1,305,375	2,938	1,308,313

⁽¹⁾ All shares are issued, authorized and fully paid. Each share is issued at a nominal value of \$1.20 per share and entitles to one vote.

The accompanying notes 1 to 34 are an integral part of these consolidated financial statements

GLOBANT S.A.
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(in thousands of U.S. dollars)

	For the year ended December 31,		
	2021	2020	2019
Cash flows from operating activities			
Net income for the year	96,355	54,217	54,015
Adjustments to reconcile net income for the year to net cash flows from operating activities:			
Share-based compensation expense	37,031	22,423	15,357
Current income tax (note 9.1)	53,319	27,834	19,327
Deferred income tax (note 9.1)	(24,822)	(5,527)	(4,310)
Depreciation of property and equipment (note 15)	19,799	16,037	14,542
Depreciation of right-of-use assets (note 28)	23,833	17,638	14,584
Amortization of intangible assets (note 16)	36,654	14,805	9,713
Impairment of intangible assets (note 16)	80	83	720
Leases discount	—	(512)	—
Net impairment losses on financial assets	7,551	3,080	228
Remeasurement at fair value of investment in associates	(1,538)	—	—
Gain from sale of financial instrument (note 3.12.9)	—	(800)	—
Allowance for claims and lawsuits (note 23)	5,769	1,598	—
Remeasurement of contingent consideration (note 29.9.1)	4,694	2,431	85
Gain on transactions with bonds (note 3.18)	(708)	(9,580)	(1,569)
Accrued interest	9,828	6,955	4,151
Interest received	585	1,872	734
Net loss (gain) arising on financial assets measured at FVPL	8,537	3,423	(1,285)
Net loss (gain) arising on financial assets measured at FVOCI	130	287	(58)
Net gain arising on financial assets measured at amortised cost (note 7)	—	(395)	(99)
Exchange differences	(5,708)	3,631	8,291
Share of results of investment in associates	233	622	224
Payments related to forward and future contracts	(1,692)	(3,104)	(991)
Proceeds related to forward and future contracts	1,368	3,039	1,017
Payments of remeasured earn-outs related to acquisition of business	—	(5,218)	—
Gain arising from lease disposals	(643)	(180)	—
Changes in working capital:			
Net increase in trade receivables	(93,019)	(33,926)	(38,945)
Net increase in other receivables	(21,149)	(10,887)	(8,432)
Net (increase) decrease in other assets	(1,338)	6,135	(9,967)
Net increase (decrease) in trade payables	10,870	(2,770)	7,235
Net increase in payroll and social security taxes payable	66,670	11,488	8,766
Net increase in tax liabilities	4,595	363	2,079
Utilization of provision for contingent liabilities (note 23)	(8,113)	(615)	(194)
Income tax paid	(50,197)	(24,575)	(17,055)
Proceeds received from reimbursement of income tax	—	—	1,572
Net cash provided by operating activities	178,974	99,872	79,735
Cash flows from investing activities			
Acquisition of property and equipment ⁽²⁾	(42,766)	(29,294)	(20,375)
Proceeds from disposals of property and equipment and intangibles	1,249	951	102
Acquisition of intangible assets ⁽³⁾	(34,868)	(24,168)	(11,617)
Acquisition of investment in sovereign bonds	(5,990)	(16,700)	(6,000)
Proceeds from investment in sovereign bonds	6,698	26,280	7,569
Payments related to forward and future contracts	(13,534)	(7,673)	(4,842)
Proceeds related to forward and future contracts	3,923	4,839	4,165
Acquisition of investments measured at FVTPL	(238,991)	(436,660)	(143,763)
Proceeds from investments measured at FVTPL	230,236	443,005	129,910
Acquisition of investments measured at FVOCI	(49,965)	(2,994)	(11,684)
Proceeds from investments measured at FVOCI	44,976	3,316	15,618
Proceeds from investments measured at amortised cost	—	625	—

GLOBANT S.A.
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(in thousands of U.S. dollars)

	For the year ended December 31,		
	2021	2020	2019
Acquisition of investments measured at amortised cost	—	(615)	—
Guarantee payments	—	—	(1,038)
Payments to acquire equity instruments	(5,762)	(9,167)	—
Payments to acquire investments in associates	(1,389)	—	—
Acquisition of investment in convertible notes (note 3.12.8.1 and 3.12.8.3)	(2,772)	(701)	(3,350)
Acquisition of business, net of cash (note 26) ⁽¹⁾	(144,503)	(69,060)	(97,298)
Payments of earn-outs related to acquisition of business	(19,422)	(5,999)	(8,981)
Net cash used in investing activities	(272,880)	(124,015)	(151,584)
Cash flows from financing activities			
Proceeds from the issuance of common shares pursuant to May 2021 and June 2020 Public Offering, net of costs	286,207	300,880	—
Proceeds from the issuance of shares under the share-based compensation plan (note 30.1)	6,612	5,825	15,822
Proceeds from the issuance of shares under the ESPP plan	2,340	—	—
Repurchase of shares	(7,256)	—	—
Cash paid for the settlements of the derivative financial instruments used to hedge interest rate risk	—	(127)	—
Proceeds from subscription agreements (note 30.1)	—	1,203	7,770
Proceeds from borrowings (note 21)	13,500	155,108	90,523
Repayment of borrowings (note 21)	(29,384)	(194,332)	(40,806)
Payments of principal portion of lease liabilities (note 28)	(21,786)	(23,237)	(15,358)
Payments of lease liabilities interest (note 28)	(5,415)	(1,904)	(475)
Interest paid (note 21)	(832)	(1,870)	(764)
Net cash provided by financing activities	243,986	241,546	56,712
Increase (decrease) in cash and cash equivalents	150,080	217,403	(15,137)
Cash and cash equivalents at beginning of the year	278,939	62,721	77,606
Effect of exchange rate changes on cash and cash equivalents	(1,215)	(1,185)	252
Cash and cash equivalents at end of the year	427,804	278,939	62,721

⁽¹⁾ Cash paid for assets acquired and liabilities assumed in the acquisition of subsidiaries net of cash acquired (note 26):

Supplemental information

Cash paid	161,107	84,643	103,978
Less: cash and cash equivalents acquired	(16,604)	(15,583)	(6,678)
Total consideration paid net of cash and cash equivalents acquired	144,503	69,060	97,300

As of December 31, 2021, the Company issued 10,088, 10,842 and 7,032 common shares for a total amount of 2,149, 2,372 and 2,100, respectively, according to the subscription agreement included in the stock purchase agreement signed with Hybrido's, Walmeric's and Navint's sellers, these were non-cash transaction. As of December 31, 2020, the Company issued 20,918, 5,551 and 189,287 common shares for a total amount of 3,618, 1,123 and 40,354, respectively, according to the subscription agreement included in the stock purchase agreement signed with Grupo ASSA's, Giant Monkey Robot's and Bluecap Management Consulting's sellers, these were non-cash transaction.

⁽²⁾ In 2021, 2020 and 2019, there were 10,129, 1,515 and 2,179 of acquisition of property and equipment financed with trade payables, respectively. In 2021, 2020 and 2019, the Company paid 1,515, 2,179 and 4,316 related to property and equipment acquired in 2020, 2019 and 2018, respectively. In 2019 there were 1,862 of advances paid, there were no advances paid in 2020 and 2021. Finally, 2019 excludes 30,661 of advances reclassified from other receivables which was a non-cash transaction.

⁽³⁾ In 2021 and 2020 there were 3,662 and 285 of acquisition of intangibles financed with trade payables, respectively, in 2019 there were no acquisition of intangibles financed with trade payables. In 2021 and 2019, the Company paid 285 and 217 related to intangibles acquired in 2020 and 2018, respectively.

The accompanying notes 1 to 34 are an integral part of these consolidated financial statements

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 1 – COMPANY OVERVIEW AND BASIS OF PRESENTATION

Globant S.A. is a digitally native company organized in the Grand Duchy of Luxembourg, primarily engaged in helping organizations to reinvent themselves and unleash their potential (hereinafter the “Company” or “Globant” or “Globant Group”). Globant is the place where innovation, design and engineering meet scale.

The Company's principal operating subsidiaries and countries of incorporation as of December 31, 2021 were the following:

Country	Company
Argentina	Sistemas Globales S.A
Chile	Sistemas Globales Chile Asesorías Limitada
Colombia	Sistemas Colombia S.A.S
India	Globant India Private Limited
Mexico	IAFH Globant IT Mexico S. de R.L
Peru	Globant Peru S.A.C
Spain	Software Product Creation S.L.
Spain	BlueCap Management Consulting SL
United Kingdom	Sistemas UK Limited
United States of America	Globant LLC
United States of America	Globant IT Services Corp
Uruguay	Sistemas Globales Uruguay S.A.

The Company provides services from offices located in:

Country	City
Argentina	Buenos Aires, Tandil, Rosario, Tucumán, Córdoba, Resistencia, Bahía Blanca, Mendoza, Mar del Plata and La Plata
Belarus	Minsk
Brazil	São Paulo and São Jose Dos Campos
Chile	Santiago
Colombia	Bogotá, Medellín and Cali
France	Paris
Germany	Berlin
India	Pune and Bangalore
Mexico	Guadalajara, México City and Monterrey
Peru	Lima
Romania	Cluj
Spain	Madrid, Barcelona, Málaga and Logroño
United Kingdom	London
United States of America	San Francisco, New York, Seattle, Raleigh, Miami, Los Angeles and Winston Salem
Uruguay	Montevideo

The Company also has centers of software engineering talent and educational excellence, primarily across Latin America.

Most of the revenues are generated through subsidiaries located in the U.S. The Company's workforce is mainly located in Latin America and to a lesser extent in India, Eastern Europe and the U.S.

The Company's registered office address is 37A Avenue J.F. Kennedy L-1855, Luxembourg.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 2 – BASIS OF PREPARATION OF THESE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements are presented in thousands of United States dollars ("U.S. dollars") and have been prepared under the historical cost convention except as disclosed in the accounting policies below.

2.1 – Application of new and revised International Financial Reporting Standards

• **Adoption of new and revised standards**

The Company has adopted all of the new and revised standards and interpretations issued by the IASB that are relevant to its operations and that are mandatorily effective at December 31, 2021. The impact of the new and revised standards and interpretations mentioned on these consolidated financial statements is described as follows.

The Company has adopted the following standards and interpretation that became applicable for annual periods commencing on or after January 1, 2021:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2
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This amendment did not have any material impact on the Company's accounting policies and did not require retrospective adjustments.

As of December 31, 2021, the Company's interest rate swaps that bear interest based on LIBOR include a clause that provides alternative interest rates in the case of a discontinuity of LIBOR.

• **New accounting pronouncements**

The Company has not applied the following new and revised IFRSs that have been issued but are not yet mandatorily effective:

Amendments to IAS 8	<i>Definition of Accounting Estimates¹</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies¹</i>
Amendments to IFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021²</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction¹</i>

¹ Effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

² Effective for annual reporting periods beginning on or after April 1, 2021. Earlier application is permitted.

- On February 12, 2021, IASB issued 'Definition of Accounting Estimates (Amendments to IAS 8)' providing a new definition of accounting estimates to help entities to distinguish between accounting policies and accounting estimates.

The management of the Company does not anticipate that the application of this amendment will have a material impact on the Company's consolidated financial statements. This amendment is effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The Company has not opted for early application.

- On February 12, 2021, the IASB issued 'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' to help preparers in deciding which accounting policies to disclose in their financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The management of the Company does not anticipate that the application of this amendment will have a material impact on the Company's consolidated financial statements. This amendment is effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The Company has not opted for early application.

- On March 31, 2021, IASB issued 'Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)' extending, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

The management of the Company does not anticipate that the application of this amendment will have a material impact on the Company's consolidated financial statements. This amendment is effective for annual periods beginning on or after April 1, 2021. Earlier application is permitted. The Company has not opted for early application.

- On May 7, 2021, the International Accounting Standards Board (the "IASB") issued 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)' clarifying that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The management of the Company does not anticipate that the application of this amendment will have a material impact on the Company's consolidated financial statements. This amendment is effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The Company has not opted for early application.

2.2 – Basis of consolidation

These consolidated financial statements include the consolidated financial position, results of operations and cash flows of the Company and its consolidated subsidiaries. Control is achieved where the company has the power over the investee; exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns. All intercompany transactions and balances between the Company and its subsidiaries have been eliminated in the consolidation process.

Non-controlling interest in the equity of consolidated subsidiaries is identified separately. Non-controlling interest consists of the amount of that interest at the date of the original business combination and the non-controlling share of changes in equity since the date of the consolidation.

Acquired companies are accounted for under the acquisition method whereby they are included in the consolidated financial statements from their acquisition date.

Detailed below are the subsidiaries of the Company whose financial statement line items have been included in these consolidated financial statements.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Company	Country of incorporation	Main Activity	Percentage ownership As of December 31,		
			2021	2020	2019
Globant UK Limited	United Kingdom	Customer referral services and software development support and consultancy	100.00 %	100.00 %	100.00 %
Globant, LLC	United States of America	Customer referral services and software development support and consultancy	100.00 %	100.00 %	100.00 %
Sistemas Colombia S.A.S.	Colombia	Software development and consultancy	100.00 %	100.00 %	100.00 %
IAFH Globant IT México S. de R.L. de C.V. ⁽¹⁾	Mexico	Software development and consultancy	100.00 %	100.00 %	100.00 %
Software Product Creation S.L.	Spain	Holding, investment, software development and consultancy	100.00 %	100.00 %	100.00 %
Globant España S.A. (sociedad unipersonal)	Spain	Holding and investment activities	100.00 %	100.00 %	100.00 %
Sistemas Globales Uruguay S.A.	Uruguay	Software development and consultancy	100.00 %	100.00 %	100.00 %
Sistemas Globales S.A.	Argentina	Software development and consultancy	100.00 %	100.00 %	100.00 %
IAFH Global S.A.	Argentina	Software development and consultancy	100.00 %	100.00 %	100.00 %
Sistemas Globales Chile Asesorías Limitada	Chile	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globers S.A.	Argentina	Travel organization services	100.00 %	100.00 %	100.00 %
Globant Brasil Consultoria Ltda.	Brazil	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant Peru S.A.C.	Peru	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant India Private Limited	India	Software development and consultancy	100.00 %	100.00 %	100.00 %
Dynaflows S.A.	Argentina	Software development and consultancy	100.00 %	100.00 %	100.00 %
We Are London Limited ⁽²⁾	United Kingdom	Service design consultancy	-	100.00 %	100.00 %
Difier S.A.	Uruguay	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant Bel LLC	Belarus	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant Canada Corp	Canada	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant France S.A.S.	France	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant IT Romania S.R.L. ⁽³⁾	Romania	Software development and consultancy	100.00 %	100.00 %	100.00 %
Globant Ventures S.A.S. ⁽⁴⁾	Argentina	Holding and investment activities	100.00 %	100.00 %	100.00 %
Software Product Creation SL Dubai Branch ⁽⁵⁾	United Arab Emirates	Software development and consultancy	100.00 %	100.00 %	100.00 %
Avanxo Servicios Informáticos España S.L. ⁽⁶⁾⁽⁷⁾	Spain	Holding and investment activities	-	100.00 %	100.00 %
Avanxo México Sociedad Anónima Promotora de inversión de Capital Variable ⁽⁶⁾⁽⁸⁾	Mexico	Cloud consulting and implementation services	-	100.00 %	100.00 %

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Company	Country of incorporation	Main Activity	Percentage ownership As of December 31,		
			2021	2020	2019
Avanxo Servicios S.A. de C.V. ⁽⁶⁾⁽⁹⁾	Mexico	Cloud consulting and implementation services	-	100.00 %	100.00 %
Avanxo Brasil Tecnologia da Informacao LTDA ⁽⁶⁾⁽¹⁰⁾	Brazil	Cloud consulting and implementation services	-	100.00 %	100.00 %
Orizonta Consultoria De Negocios E Tecnologia LTDA ⁽⁶⁾⁽¹¹⁾	Brazil	Cloud consulting and implementation services	-	100.00 %	100.00 %
Avanxo S.A. ⁽⁶⁾⁽¹²⁾	Argentina	Cloud consulting and implementation services	100.00 %	100.00 %	100.00 %
Avanxo - Sucursal del Perú ⁽⁶⁾⁽¹³⁾	Perú	Cloud consulting and implementation services	-	100.00 %	100.00 %
Avanxo Colombia ⁽⁶⁾	Colombia	Cloud consulting and implementation services	100.00 %	100.00 %	100.00 %
Belatrix Global Corporation S.A. ⁽¹⁴⁾⁽¹⁵⁾	Spain	Holding and investment activities	-	100.00 %	100.00 %
BSF S.A.	Argentina	Agile product development services	100.00 %	100.00 %	100.00 %
Belatrix Peru S.A.C. ⁽¹⁴⁾⁽¹⁶⁾	Peru	Agile product development services	-	100.00 %	100.00 %
Belatrix Colombia S.A.S. ⁽¹⁴⁾⁽¹⁷⁾	Colombia	Agile product development services	-	100.00 %	100.00 %
Globant IT Services Corp ⁽¹⁸⁾	United States of America	Agile product development services	100.00 %	100.00 %	100.00 %
Grupo Assa Worldwide S.A ⁽¹⁹⁾	Spain	Holding and IT consultancy services	-	100.00 %	-
Grupo ASSA Corp. ⁽¹⁹⁾	United States of America	Business an IT consultancy services	100.00 %	100.00 %	-
GASA México Consultoría y Servicios S.A de C.V ⁽¹⁹⁾	Mexico	Business an IT consultancy services	100.00 %	100.00 %	-
Grupo Assa México Soluciones Informáticas S.A de C.V ⁽¹⁹⁾	Mexico	Business an IT consultancy services	100.00 %	100.00 %	-
Grupo Assa Colombia S.A.S ⁽¹⁹⁾⁽²⁰⁾	Colombia	Business an IT consultancy services	-	100.00 %	-
CTN Consultoria Tecnologia e Negocios LTDA ⁽¹⁹⁾	Brazil	Business an IT consultancy services	100.00 %	100.00 %	-
IBS Integrated Business Solutions Consultoria LTDA ⁽¹⁹⁾	Brazil	Business an IT consultancy services	100.00 %	100.00 %	-
Global Digital Business Solutions em Tecnologia LTDA ⁽¹⁹⁾⁽³⁸⁾	Brazil	Business an IT consultancy services	100.00 %	100.00 %	-
Servicios Digitais em Tecnologia da Informacao LTDA ⁽¹⁹⁾⁽³⁸⁾	Brazil	Business an IT consultancy services	-	100.00 %	-
Grupo Assa Chile Ltda. ⁽¹⁹⁾⁽²¹⁾	Chile	Business an IT consultancy services	-	100.00 %	-
Decision Support S.A ⁽¹⁹⁾	Argentina	Business an IT consultancy services	100.00 %	100.00 %	-
Banking Solutions S.A ⁽¹⁹⁾⁽²²⁾	Argentina	Business an IT consultancy services	100.00 %	100.00 %	-
Brazilian Technology Partners S.A ⁽¹⁹⁾⁽²³⁾	Argentina	Holding and investment activities	-	100.00 %	-
Globant Colombia S.A.S.	Colombia	Software development and consultancy	100.00 %	100.00 %	-
Globant Germany GmbH	Germany	Software development and consultancy	100.00 %	100.00 %	-
Xappia SpA ⁽²⁴⁾⁽²⁵⁾	Chile	Cloud consulting and implementation services	-	100.00 %	-
Xappia S.R.L. ⁽²⁴⁾⁽²⁶⁾	Argentina	Cloud consulting and implementation services	100.00 %	100.00 %	-

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Company	Country of incorporation	Main Activity	Percentage ownership As of December 31,		
			2021	2020	2019
Giant Monkey Robot SpA ⁽²⁷⁾⁽²⁸⁾	Chile	Live game operations, in-game economy, and mobile game development	-	100.00 %	-
Giant Monkey Robot Inc. ⁽²⁷⁾⁽²⁹⁾	United States of America	Live game operations, in-game economy, and mobile game development	-	100.00 %	-
BlueCap Management Consulting SL ⁽³⁰⁾	Spain	Business and financial consultancy services	100.00 %	100.00 %	-
Globant Singapore PTE LTD. ⁽³¹⁾	Singapore	Software development and consultancy	100.00 %	-	-
CloudShiftGroup Limited ⁽³²⁾	United Kingdom	Software development and consultancy	100.00 %	-	-
Hybrido Worldwide, S.L. ⁽³³⁾	Spain	Software development and consultancy	100.00 %	-	-
Pixel Division, S.L. ⁽³³⁾⁽³⁹⁾	Spain	Advertising services	100.00 %	-	-
Walmeric Soluciones, S.L. ⁽³⁴⁾	Spain	Telecommunications, mailing and courier services	80.00 %	-	-
Augmented Coding Spain S.A. ⁽³⁵⁾	Spain	Software development and consultancy	100.00 %	-	-
Sistemas Globales Costa Rica Limitada ⁽³⁶⁾	Costa Rica	Software development and consultancy	100.00 %	-	-
Augmented Coding US, LLC ⁽³⁷⁾	United States of America	Software development and consultancy	100.00 %	-	-
Globant Ecuador S.A.S. ⁽⁴⁰⁾	Ecuador	Software development and consultancy	100.00 %	-	-
Atix Labs S.R.L. ⁽⁴¹⁾	Argentina	Software development and consultancy	100.00 %	-	-
Atix Labs LLC ⁽⁴¹⁾⁽⁴²⁾	United States of America	Software development and consultancy	100.00 %	-	-
Navint Partners, LLC ⁽⁴³⁾	United States of America	Software development and consultancy	100.00 %	-	-
The Hansen Partnership Limited ⁽⁴³⁾	United Kingdom	Software development and consultancy	100.00 %	-	-
Hansen Consulting B.V. ⁽⁴³⁾	Netherlands	Software development and consultancy	100.00 %	-	-
Hansen Techsol Private Limited ⁽⁴³⁾	India	Software development and consultancy	100.00 %	-	-

⁽¹⁾ Global Systems Outsourcing S. de R.L. de C.V changed its name to IAFH Globant IT México S. de R.L de C.V on May 28, 2021.

⁽²⁾ We Are London Limited is under Strike Off process.

⁽³⁾ Small Footprint S.R.L. changed its name to Globant IT Romania S.R.L on April 28, 2021.

⁽⁴⁾ Globant Ventures S.A.S is under a merger process with Sistemas Globales S.A.

⁽⁵⁾ Software Product Creation SL Dubai Branch is dormant since February 27, 2020.

⁽⁶⁾ In October 2019, this Company was acquired along with its subsidiaries in Brazil, Mexico, Colombia, Peru, Argentina and the United States ("Avanxo Group") on February 1, 2019 (see note 26.5). Avanxo (Bermuda) Limited changed its name to Avanxo Servicios Informáticos España S.L due to its redomiciliation to Spain.

⁽⁷⁾ Avanxo Servicios Informáticos España S.L was merged with and into Globant España S.A. (sociedad unipersonal) on May 17, 2021.

⁽⁸⁾ Avanxo México Sociedad Anónima Promotora de Inversión de Capital Variable was merged with and into IAFH Globant IT México S. de R.L de C.V (formerly named as Global System Outsourcing S. de R.L. de C.V.) on March 31, 2021.

⁽⁹⁾ Avanxo Servicios S.A. de C.V., was merged with and into IAFH Globant IT México S. de R.L de C.V (formerly named as Global System Outsourcing S. de R.L. de C.V.) on March 31, 2021.

⁽¹⁰⁾ Avanxo Brasil Tecnologia da Informacao LTDA, was merged with and into Globant Brasil Consultoria Ltda. on August 25, 2021.

⁽¹¹⁾ Orizonta Consultoria De Negocios E Tecnologia LTDA was merged with and into Globant Brasil Consultoria Ltda. on August 25, 2021.

⁽¹²⁾ Avanxo S.A, is under a merger process with Sistemas Globales S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

- ⁽¹³⁾ Avanzo Sucursal del Perú concluded its liquidation process on December 21, 2021.
- ⁽¹⁴⁾ Belatrix Global Corporation S.A along with its subsidiaries in Peru, Colombia, Spain, the United States and Argentina ("Belatrix Group") were acquired on August 9, 2019 (see note 26.6).
- ⁽¹⁵⁾ Belatrix Global Corporation S.A was merged with and into Globant España S.A. on May 17, 2021.
- ⁽¹⁶⁾ Belatrix Peru S.A.C. was merged with and into Globant Peru S.A.C. on October 29, 2021.
- ⁽¹⁷⁾ Belatrix Colombia S.A.S. was merged with and into Sistemas Colombia S.A.S on July 7, 2021.
- ⁽¹⁸⁾ Belatrix Services Corp changed its name to Globant IT Services Corp. on April 21, 2020.
- ⁽¹⁹⁾ Grupo Assa Worldwide S.A along with its subsidiaries in Colombia, United States, Brazil, Mexico, Argentina and Chile ("gA Group") were acquired on July 31, 2020 (see note 26.8). Grupo Assa Worldwide was merged with and into Globant España S.A (sociedad unipersonal) on October 22, 2021.
- ⁽²⁰⁾ Grupo Assa Colombia S.A.S. was merged with and into Sistemas Colombia S.A.S. on July 7, 2021
- ⁽²¹⁾ Grupo Assa Chile Ltda. was merged with and into Sistemas Globales Chile Asesorías Limitada on June 7, 2021.
- ⁽²²⁾ Banking Solutions S.A is under a merger process with Sistemas Globales S.A
- ⁽²³⁾ Brazilian Technology Partners S.A. concluded its liquidation process on November 12, 2021.
- ⁽²⁴⁾ Xappia SpA and Xappia SRL were acquired on October 21, 2020 (see note 26.9).
- ⁽²⁵⁾ Xappia SpA was merged with and into Sistemas Globales Chile Asesorías Limitada on July 21, 2021.
- ⁽²⁶⁾ Xappia S.R.L. is under merger process with Sistemas Globales S.A.
- ⁽²⁷⁾ Giant Monkey Robot SpA and Giant Monkey Robot Inc were acquired on November 9, 2020 (see note 26.10).
- ⁽²⁸⁾ Giant Monkey Robot SpA was merged with and into Sistemas Globales Chile Asesorías Limitada on July 21, 2021.
- ⁽²⁹⁾ Giant Monkey Robot Inc. was merged with and into Globant LLC on June 16, 2021.
- ⁽³⁰⁾ BlueCap Management Consulting SLU was acquired on December 18, 2020 (see note 26.11).
- ⁽³¹⁾ Globant Singapore was incorporated on February 3, 2021.
- ⁽³²⁾ CloudShiftGroup Limited was acquired on February 28, 2021 (see note 26.12).
- ⁽³³⁾ Hybrido Worldwide S.L along with its subsidiary in Spain (Pixel Division S.L.), were acquired on May 12, 2021 (see note 26.13).
- ⁽³⁴⁾ Walmeric Soluciones S.L was acquired on July 8, 2021 (see note 26.14).
- ⁽³⁵⁾ Augmented Coding Spain S.A was incorporated on August 24, 2021.
- ⁽³⁶⁾ Sistemas Globales Costa Rica Limitada was incorporated on August 9, 2021.
- ⁽³⁷⁾ Augmented Coding US, LLC was incorporated on August 27, 2021.
- ⁽³⁸⁾ Servicios Digitais em Tecnologia de Informacao LTDA was merged with and into Global Digital Business Solutions em Tecnologia LTDA on December 1, 2021.
- ⁽³⁹⁾ Pixel Division S.L. is under liquidation process.
- ⁽⁴⁰⁾ Globant Ecuador S.A.S was incorporated on November 11, 2021.
- ⁽⁴¹⁾ Atix Labs S.R.L and Atix Labs LLC were acquired on October 5, 2021 (see note 26.15).
- ⁽⁴²⁾ Atix Labs LLC is under merger process with Globant LLC.
- ⁽⁴³⁾ Navint Group with subsidiaries in the United States, India, England and Wales and Netherlands, were acquired on November 30, 2021. (see note 26.16).

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 – Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred to the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related charges are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively; and
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired business, and the fair value of the acquirer's previously held equity interest in the acquired business (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

consideration transferred, the amount of any non-controlling interests in the acquired business and the fair value of the acquirer's previously held equity interest in the acquired business (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquired business identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 3 and IFRS 13, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Arrangements that include remuneration of former owners of the acquiree for future services are excluded of the business combinations and will be recognized as expense during the required service period.

3.2 – Goodwill

Goodwill arising in a business combination is carried at cost as established at the acquisition date of the business less accumulated impairment losses, if any. For the purpose of impairment testing, goodwill is allocated to a unique cash generating unit (CGU).

Goodwill is not amortized and is reviewed for impairment at least annually or more frequently when there is an indication that the business may be impaired. If the recoverable amount of the business is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the business and then to the other assets of the business pro-rata on the basis of the carrying amount of each asset in the business. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognized for goodwill is not reversed in a subsequent period.

The Company has not recognized any impairment loss in the years ended December 31, 2021, 2020 and 2019.

3.3 – Revenue recognition

The Company generates revenue primarily from the provision of software development, testing, infrastructure management, application maintenance, outsourcing services, consultancy and Services over Platforms (SoP). SoP is a new concept for the services industry that aims to deliver digital journeys in more rapid manner providing specific platforms as a starting point and then customizing them to the specific need of the customers. Revenue is measured at the fair value of the consideration received or receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2019
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The Company's services are performed under both time-and-material and fixed-price contracts. For revenues generated under time-and-material contracts, revenues are recognized as a single performance obligation satisfied over time, using an input method based on hours incurred. The majority of such revenues are billed on an hourly, daily or monthly basis whereby actual time is charged directly to the client.

The Company recognizes revenues from fixed-price contracts applying the input or output methods depending on the nature of the project and the agreement with the customer, recognizing revenue on the basis of the Company's efforts to the satisfaction of the performance obligation relative to the total expected inputs to the satisfaction of the performance obligation, or recognizing revenue on the basis of direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised under the contract, respectively. Each method is applied according to the characteristics of each contract and client. The inputs and outputs are selected based on how faithfully they depict the Company's performance towards complete satisfaction of the performance obligation.

These methods are followed where reasonably dependable estimates of revenues and costs can be made. Fixed-price projects generally correspond to short-term contracts. Some fixed-price contracts are recurring contracts that establish a fixed amount per month and do not require the Company to apply significant judgment in accounting for those types of contracts. In consequence, the use of estimates is only applicable for those contracts that are on-going at the year end and that are not recurring.

Reviews to these estimates may result in increases or decreases to revenues and income and are reflected in the consolidated financial statements in the periods in which they are first identified. If the estimates indicate that a contract loss will be incurred, a loss provision is recorded in the period in which the loss first becomes probable and reasonably estimable. Contract losses are determined to be the amount by which the estimated costs of the contract exceed the estimated total revenues that will be generated by the contract and are included in cost of revenues in the consolidated statement of comprehensive income. Contract losses for the periods presented in these consolidated financial statements were immaterial.

The Company also provides hosted access to software applications for a subscription-based fee. The revenue from these subscription resales contracts is recognized at a point in time, given that the performance obligation is satisfied when the contract is signed by the customer and the Company. The Company acts as an agent because the performance obligation is to arrange for the service to be provided to the customer by another party (the owner of the software applications). Consequently, the revenue is measured as the amount of the commission, which is the net amount of consideration that the Company retains after paying the other party the consideration received in exchange for the services to be provided by that party.

3.4 – Leases

As of January 1, 2019, the Company applied IFRS 16 where the Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets (assets with a value of 5 or less when new). For these leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

1. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
2. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
3. a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company made adjustments related to leases that are subject to changes in the consumer price index. As of December 31, 2021 and 2020, such adjustments amounted to 1,113 and 491 respectively.

Right-of-use asset are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs and restoration costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. The costs are included in the related right-of-use asset.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Company applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 3.10.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets with a value of 5 or less when new.

In determining the lease term, management considers all fact and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options and periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

3.5 – Foreign currencies

The functional currency of the Company and most of its subsidiaries is the U.S. dollar, except for some subsidiaries; the main subsidiaries with a functional currency different from U.S dollar are:

- Globant Brasil Consultoria Ltda.: the functional currency is the Brazilian Real.
- Globers S.A.: the functional currency is the Argentine Peso.
- IBS Integrated Business Solutions Consultoria LTDA: the functional currency is the Brazilian Real.
- Global Digital Business Solutions em Tecnologia LTDA: the functional currency is the Brazilian Real.
- Avanzo Colombia: the functional currency is the Colombian Peso.
- BlueCap Management Consulting SL: the functional currency is the European Union Euro.
- Hybrido Worldwide, S.L: the functional currency is the European Union Euro.

In preparing these consolidated financial statements, transactions in currencies other than the functional currency (“foreign currencies”) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are kept at the original translated cost. Exchange differences are recognized in profit and loss in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

In the case of the subsidiaries with a functional currency other than the U.S. dollar, assets and liabilities are translated at current exchange closing rates at the date of that balance sheet, while income and expense are translated at the date of the transaction rate. The resulting foreign currency translation adjustment is recorded as a separate component of accumulated other comprehensive income (loss) in equity.

Accounting standards are applied on the assumption that the value of money (the unit of measurement) is constant over time. However, when the rate of inflation is no longer negligible, a number of issues arise impacting the true and fair nature of the accounts of entities that prepare their financial statements on a historical cost basis. To address such issues, entities apply IAS 29 Financial Reporting in Hyperinflationary Economies from the beginning of the period in which the existence of hyperinflation is identified. Based on the statistics published on July 17, 2018, Argentina's economy started to be considered hyperinflationary. As of December 31, 2021 and 2020, the 3-year cumulative rate of inflation for consumer prices in Argentina is 216% and 209%, respectively. As of December 31, 2021 and 2020, the Company assessed that the effects of inflation are not material to the financial statements, since the most significant Argentine subsidiaries have the U.S. dollars as their functional currency, except for Globers S.A.

3.6 – Borrowing costs

The Company does not have borrowings attributable to the construction or production of assets. All borrowing costs are recognized in profit and loss under finance loss.

3.7 – Taxation

3.7.1 – Income taxes – current and deferred

Income tax expense represents the estimated sum of income tax payable and deferred tax.

3.7.1.1 – Current income tax

The current income tax payable is the sum of the income tax determined in each taxable jurisdiction, in accordance with their respective income tax regimes.

Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because taxable profit excludes items of income or expense that are taxable or deductible in future years and it further excludes items that are never taxable or deductible. The Company's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted as of the date of issuance. The current income tax charge is calculated on the basis of the tax laws in force in the countries in which the consolidated entities operate.

For the fiscal years 2021 and 2020, Globant S.A. is subject to a corporate income tax rate of 17% on taxable income exceeding EUR 200, leading to an overall tax rate of 24.94% in Luxembourg City for FY 2020 and FY 2021 (taking into account the solidarity surtax of 7% on the CIT rate, and including the 6.75% municipal business tax rate applicable).

The holding companies located in Spain elected to be included in the Spanish special tax regime for entities having substantially all of their operations outside of Spain, known as “*Empresas Tenedoras de Valores en el Exterior*” (“ETVE”). Globant España S.A and Global Assa Worldwide S.L (absorbed by Globant España S.A in January, 2021) were registered in 2008 and Belatrix Global Corporation S.A. (absorbed by Globant España S.A) was registered in 2013. Under the ETVE regime, dividends distributed from its foreign subsidiaries as well as any gain resulting from disposal are subject to 95% of tax exemption effective from January 1st, 2021. In order to be entitled to the benefit, among other requirements, the main activity of the entities must be the administration and management of equity instruments from non-Spanish entities and such entities must be subject to a tax regime similar to that applicable in Spain for non-ETVEs companies. As of December 31, 2020 the Uruguayan subsidiary distributed dividends for a total amount of 22,300 to Globant España S.A.. As of December 31, 2021, the Spanish Holding companies did not receive dividends distributions. If this tax exemption would not apply partially, the applicable tax rate should be 25%. The Company's Spanish subsidiaries Software Product Creation S.L., Avanzo Servicios Informaticos S.L., Bluecap Management Consulting S.L, Hybrido Worldwide S.L., Pixel Division S.L., Augmented Coding Spain S.A., and Walmeric Soluciones S.L. are subject to a 25% corporate income tax rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

For the fiscal year 2021, Argentina has progressive system of corporate income tax rates ranging from 25% to 35% . For fiscal year 2020, the corporate income tax rate was 30%.

On May 22, 2019, the Argentine Congress enacted Law No. 27,506 ("Ley de Economía del Conocimiento"), which provides a promotional regime for the Knowledge Economy, which was modified by means of Law No. 27,570, published on October 26, 2020 ("Knowledge based Economy Law"). The Knowledge based Economy Law is valid from January 1, 2020 -for the legal entities adhered to the Software Promotion Law- and from the publication of the Law No. 27,570 for other entities, and in both cases until December 31, 2029, and aims to promote economic activities that apply knowledge and digitization of information, supported by advances in science and technology, to obtain goods and services and improve processes.

The entities IAFH Global S.A, Sistemas Globales S.A, BSF S.A, Decision Support S.A and Atix S.A. were beneficiaries of the Software Promotion Law and expressed the willingness to continue in the regime under the Knowledge based Economy Law, accordingly. Once the formalities established for this purpose are fulfilled, the entities will be incorporated in the National Registry of Beneficiaries ,and will enjoy the benefits of the Knowledge Economy Law retroactively from January 1st, 2020.

The beneficiaries of the regime will enjoy the following benefits:

- Stability in the enjoyment of benefits.
- Beneficiaries who carry exports within the promoted activity, are not subject to any withholding and/or collection VAT regimes.
- A reduced corporate income tax rate applied to the promoted activities. The reduction is applied on the general tax rate as follows: (i) 60% for micro and small enterprises, (ii) 40% for medium-sized enterprises, and (iii) 20% for large enterprises.
- In addition, beneficiaries will be allowed to deduct as an expense, the withholding tax paid of foreign taxes, if the taxed income constitutes an Argentine source of income.
- A non-transferable tax credit of up to 70% of amounts paid for certain social security taxes (contributions) for the employees associated with the promoted activities. The credit may be offset against value-added tax liabilities within 24 months of its issuance (which can be extended for an additional 12 months with justified cause). Beneficiaries that carry out exports are authorized to use the credit against income tax liabilities in the percentage of exports reported at the time of registration. The credit will be increased to 80% to newly-onboarded employees that are: (a) women, (b) transsexual and transgender persons, (c) professionals with graduate studies in engineering, exact or natural sciences, (d) individuals with disabilities, (e) individuals who reside in unfavorable areas and/or provinces with lower relative development, (f) individuals who, before being employed, were beneficiaries of welfare programs, among other groups of interest to be added by the enforcement authority.
- A 0% rate of export duties applicable to the export of services promoted by the Law.

The entities Atix Labs, S.R.L., Decision Support S.A, BSF S.A , IAFH Global S.A and Sistemas Globales S.A., were approved as beneficiaries of the Knowledge Economic Law by the Subsecretary of Knowledge Economy and incorporated into the National Registry on July 8, 2021, September 24, 2021, October 15, 2021, December 14, 2021 and February 8, 2022.

Decision Support S.A and IAFH Global S.A are considered as a medium- size enterprise with a reduction of 40% on the income tax rate while BSF S.A is considered a micro and small enterprise with a 60% of reduction. Sistemas Globales S.A. is considered as a large enterprise. For this company the benefit is a reduction of 20%.

On December 29, 2017, Argentina enacted a comprehensive tax reform (Law No. 27,430) through publication in the Official Gazette. The Law is effective from January 1, 2018. Specifically, the Law introduces amendments to income tax (both at corporate and individual levels), value added tax (VAT), tax procedural law, criminal tax law, social security contributions, excise tax, tax on fuels, and tax on the transfer of real estate.

At a corporate level, the law decreases the corporate income tax rate from 35% to 30% for fiscal years starting January 1, 2018 to December 31, 2019, and to 25% for fiscal years starting January 1, 2020 and onwards. The Law also establishes dividend withholding tax rates of 7% for profits accrued during fiscal years starting January 1, 2018 to December 31, 2019, and 13% for profits accrued in fiscal years starting January 1, 2020 and onwards. The new withholding rates apply to distributions made to shareholders qualifying as resident individuals or nonresidents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

On December 23, 2019, the Argentine Government enacted the *Ley de Solidaridad Social y Reactivación Productiva* No. 27,541 (the "Law on Social Solidarity and Productive Reactivation" or the "Social Solidarity Law") which declared a public emergency in economic, financial, fiscal, administrative, social security, tariff, energy, health and social matters, and also delegated legislative powers to the National Executive Power, until December 31, 2020. According to the Social Solidarity Law, the corporate income tax for years commencing on or after January 1, 2020 is 30%, and the tax rate applicable to dividends is 7%, delaying the effectiveness of the 25% and 13% rates until tax years starting on January 1, 2021.

On June 16, 2021, the Argentine Government enacted an income tax reform (Law No. 27,630), which increases the corporate income tax rate for tax years commencing on or after January 1, 2021. The law replaced the previous 30% tax rate with a progressive tax scale that applies as follows: a) for accumulated net taxable income up to 5,000,000 Argentine Pesos: 25% tax rate on net taxable income, b) for accumulated net taxable income from 5,000,000 Argentine Pesos to 50,000,000 Argentine: a tax payment of 1,250,000 Argentine Pesos plus a 30% tax rate on accumulated net taxable income on any amount exceeding 5,000,000 Argentine Pesos, c) for accumulated net taxable income exceeding 50,000,000 Argentine Pesos: a tax payment of 14,750,000 Argentine Pesos plus a 35% tax rate on accumulated net taxable income on any amount exceeding 50,000,000 Argentine Pesos. Apart from that, the Law permanently extends the 7% withholding tax for dividend distributions.

The Company's Argentine subsidiaries, Globers Travel and Dynaflows, are subject to a corporate income tax rate under a progressive tax scale as they are not included within the Software Promotion Regime nor Knowledge Economy Regime.

The Company's Uruguayan subsidiary Sistemas Globales Uruguay S.A. is domiciled in a tax free zone and has an indefinite tax relief of 100% of the income tax rate and an exemption from VAT. Aggregate income tax relief arising under Sistemas Globales Uruguay S.A. for years ended in December 2021, 2020 and 2019 were 18,835, 29,818 and 21,224, respectively. The Company's Uruguayan subsidiary Difier S.A. is located outside tax-free zone and according to Article 163 bis of Decree No. 150/007 the software development services performed are exempt from income tax and value-added tax applicable as long as they are exported and utilized abroad, except for the financial results that are taxable at a rate of 25%. Difier S.A. is 100% export-oriented.

The Colombian subsidiaries are subject to federal corporate income tax at the rate of 31%. Until December 31, 2018 the Company's Colombian subsidiary Sistemas Colombia S.A.S. was subject to federal corporate income tax at the rate of 33% and a surcharge at the rate of 4% calculated on net income before income tax. Law N°1,943 gradually reduces the corporate tax rates from 33% to 30% from fiscal years 2020 to 2022.

On September 14 2021, the Colombian Government enacted the "Ley de Inversión Social" (Law No. 2,155), which introduces a tax reform, as well as adjusts the 2021 budget. Among other things, the law increases the corporate income tax rate to 35% for tax years commencing on or after January 1, 2022. This rate applies to Colombian entities, permanent establishments in Colombia and foreign taxpayers with Colombian-source income that must file income tax returns in Colombia.

The Company's U.S. subsidiaries are subject to U.S. federal income tax at the rate of 21%. Fiscal years beginning before January 1, 2018 were subject to corporate tax at the rate of 35%.

On December 22, 2017, the United States enacted the Tax Cuts and Jobs Act ("Tax Act") that instituted fundamental changes to the taxation of multinational corporations. The Tax Act includes significant changes to the U.S. corporate income tax system, including a federal corporate rate reduction from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, changes regarding net operating loss carryforwards, and the transition of U.S. international taxation from a worldwide tax system to a territorial tax system. Furthermore, as part of the transition to the new tax system, a one-time transition tax is imposed on a U.S. shareholder's historical undistributed earnings of foreign affiliates. The Tax Act introduces various other changes to the Internal Revenue Code.

The reform also introduces base erosion provisions for U.S. corporations that are part of multinational groups. For fiscal years beginning after December 31, 2017, a U.S. corporation is potentially subject to tax under the Base Erosion Anti-Abuse Tax provision ("BEAT"), if the controlled group of which it is a part has sufficient gross receipts and derives a sufficient level of "base erosion tax benefits".

On December 13, 2018, the Internal Revenue Service ("IRS") published a proposed regulation that provides guidance regarding the BEAT application for public comments. The final document was published in the Federal Register on December 2, 2019.

The Company's Chilean subsidiary Sistemas Globales Chile Ases. Ltda. is subject to corporate income tax at the rate of 27%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The Company's Brazilian subsidiaries apply the taxable income method called "Lucro real". Under this method, taxable income is based upon a percentage of profit accrued by the Company, adjusted according to the add-backs and exclusions provided in the relevant tax law. The rate applicable to the taxable income derived from the subsidiary's activity is 24% plus 10% if the net income before income tax is higher than 240 Brazilian real for the years 2017 and onwards.

The Company's Mexican subsidiaries are subject to corporate income tax at the rate of 30%.

The Company's Indian subsidiary Globant India Private Limited is primarily export-oriented and is eligible for certain income tax holiday benefits granted by the government of India for export activities conducted within Special Economic Zones, or SEZs. The services provided by our Pune development center are eligible for a deduction of 100% of the profits or gains derived from the export of services for the first five years from the financial year in which the center commenced the provision of services, which occurred on August 3, 2017, and 50% of such profits or gains for the five years thereafter. Certain tax benefits are also available for a further five years subject to the center meeting defined conditions. Indian profits ineligible for SEZ benefits are subject to corporate income tax at the rate of 34.61%. In addition, all Indian profits, including those generated within SEZs, are subject to the Minimum Alternative Tax (MAT), at the current rate of approximately 21.34%, including surcharges.

On February 1, 2018, the Finance Minister presented the Union Budget 2018-19. A reduction in the corporate tax rate was proposed for companies with an annual turnover of up to Rupees (Rs) 2,5 billion. In such case, the tax rate is 25% plus surcharge. Globant India Private Limited is eligible for the lower corporate tax rate.

The Indian Government introduced in September, 2019, a slew of measures through the Taxation Laws (Amendment) Ordinance, to make certain amendments in the Income-tax Act 1961 and the Finance (No.2) Act 2019.

Under the new measures, any domestic company will be able to choose to be taxed at the rate of 22% if, among other things, reject the SEZ tax holidays. Thus, the effective tax rate for these companies shall be 25.17% inclusive of surcharge & cess. Domestic companies are required to exercise the option to claim the lower tax rate from AY 2020-21 onwards in the prescribed form and manner, once the option is made it cannot be withdrawn for any subsequent year. Also, such companies shall not be required to pay Minimum Alternate Tax ('MAT').

The Company's subsidiary located in Belarus is resident of the High Technology Park ("HTP"). HTP residents are exempted from corporate income tax and VAT.

On December 21, 2017 the President of the Republic of Belarus published Decree N° 8 that extends the duration of the HTP's tax incentives and the special legal regime until January 1, 2049. The Company will be benefited by the exemption as long as the regime is valid.

3.7.1.2 – Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets including tax loss carry forwards are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the entities are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. The Company has not recorded any current or deferred income tax in other comprehensive income or equity in any each of the years presented, except for deferred income tax arising from the share-based compensation plan, for the deferred income tax arising from hedge instruments and for the translation of deferred tax assets and liabilities arising from subsidiaries with functional currencies other than U.S. dollar.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Under IFRS, deferred income tax assets (liabilities) are classified as non-current assets (liabilities).

3.7.1.3 – Uncertain tax treatments

The Company determines the accounting for tax position when there is uncertainty over income tax treatments as follows. First, the Company determines whether uncertain tax positions are assessed separately or as a group; and then, the Company assesses whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings. If yes, the Company determines its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings. If not, the Company reflects the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method. The Company discloses in note to the consolidated financial statements certain matters related to the interpretation of income tax laws for which there is a possibility that a loss may have been incurred.

As of December 31, 2021 and 2020, there are certain matters related to the interpretation of income tax laws for which there is a possibility that a loss may have been incurred (assessed as not probable), as of the date of the financial statements in accordance with IFRIC 23 in an amount of 4,937 and 3,543, related to assessments for the fiscal years 2015 to 2021 and 2014 to 2020, respectively. No formal claim has been made for fiscal years within the statute of limitation by Tax authorities in any of the mentioned matters, however those years are still subject to audit and claims may be asserted in the future.

3.8 – Property and equipment

Fixed assets are valued at acquisition cost, net of the related accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Lands and properties under construction are carried at cost, less any recognized impairment loss. Properties under construction are classified to the appropriate categories of property and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Land is not depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The value of fixed assets, taken as a whole, does not exceed their recoverable value.

3.9 – Intangible assets

Intangible assets include licenses, customer relationships, customer contracts, non-compete agreements and cryptocurrencies. The accounting policies for the recognition and measurement of these intangible assets are described below.

3.9.1 – Intangible assets acquired separately

Intangible assets with finite useful life that are acquired separately (licenses) are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the intangible assets estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimates being accounted for on a prospective basis.

3.9.1.1 - Cryptocurrencies

The Company accounts for its crypto assets as indefinite-lived intangible assets in accordance with IAS 38 "Intangible Assets". Bitcoin and Ethereum are cryptocurrencies that are considered to be an indefinite lived intangible asset because they lack physical form and there is no limit to its useful life, they are not subject to amortization but they are tested for impairment.

The Company's crypto assets are initially recorded at cost. Subsequently, they are measured at cost, net of any impairment losses incurred since acquisition. The Company performs monthly analysis to identify possible impairment. If the carrying value of the crypto asset exceeds the fair value based on the quoted price in the active exchange market, the Company will recognize an impairment loss equal to the difference between the fair value and the book value in the consolidated statement of comprehensive income. Gains, if any, will not be recognized until realized upon sale in the consolidated statement of comprehensive income. Further details are disclosed in note 16. As of December 31, 2021, the Company has recognized a loss of 80 as impairment.

3.9.2 – Intangible assets acquired in a business combination

Intangible assets acquired in a business combination (customer relationships, customer contracts, non-compete agreements and software) are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses if any, on the same basis as intangible assets acquired separately.

3.9.3 – Internally-generated intangible assets

Intangible assets arising from development are recognized if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the ability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated assets is the sum of expenditure incurred (including employee costs and an appropriate proportion of overheads) from the date when the intangible asset first meets the recognition criteria listed

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Capitalized intangible assets are amortized from the point at which the asset is ready for use. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Costs associated with maintaining software programs are recognized as an expense as incurred.

3.9.4 – Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized. As of December 31, 2021 and 2020, the Company has derecognized intangible assets for an amount of 412 and 507, respectively.

3.10 – Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit or the business, as the case may be.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income for the year.

As of December 31, 2020 and 2019 the Company recorded an impairment loss of 83 and 720, respectively, as of December 31, 2021 the Company did not recognize impairment related to internally-generated intangible assets.

3.11 – Contingent liabilities

The Company has existing or potential claims, lawsuits and other proceedings. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation, and the advice of the Company's legal advisers.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The amount of the recognized receivable does not exceed the amount of the provision recorded.

3.12 – Financial assets

On initial recognition, a financial asset is classified as measured at: (i) amortized cost (ii) fair value through other comprehensive income (FVOCI) or (iii) fair value through profit or loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

3.12.1 – Amortized cost and effective interest method

A financial asset is measured at amortized cost if both of the following conditions are met, and if it is not designated as at FVPL:

- It is held within a business model whose objective is to hold financial assets to collect contractual cash flow;
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.12.2 – Financial assets measured at FVOCI

A financial asset is measured at FVOCI if both of the following conditions are met, and if it is not designated as at FVPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

The change in fair value of financial assets measured at FVOCI is accumulated in the investment revaluation reserve until they are derecognized. When a financial asset measured at FVOCI is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

3.12.3 – Financial assets measured at FVPL

All financial assets not classified as measured at amortized cost or FVOCI as described above, are measured at FVPL.

Financial assets at FVPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other financial results, net' line.

3.12.4 - Derivative financial instruments

The Company enters into foreign exchange forward contracts and swaps. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Company has both a legally enforceable right and intention to offset. The impact of the futures and forward contracts on the Company's financial position is disclosed in note 29. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

The Company designates certain derivatives as hedging instruments in respect of foreign currency risk in cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Company adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Company designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

Movements in the hedging reserve in equity are detailed in note 30.3.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other financial results, net' line item. Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item.

The Company discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognized in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in cash flow hedge reserve is reclassified immediately to profit or loss.

3.12.5 - Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate.

3.12.6 – Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets, other than those at FVTPL. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime expected credit losses ("ECL") for trade receivables, using a simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment, unless the Company has reasonable and supportable information that demonstrates otherwise.

Definition of default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due, unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events: a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event;
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
e. the disappearance of an active market for that financial asset because of financial difficulties; or
f. the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event-instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Write-off policy

Financial assets' carrying amounts are reduced through the use of an allowance account on a case-by-case basis. When a financial asset is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit and loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data, adjusted by forward-looking information as described above. The exposure of default is represented by the asset's gross carrying amount at the reporting date.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Financial assets other than trade receivables, have been grouped at the lowest levels for which there are separately identifiable cash flows.

No significant changes to estimation techniques or assumptions were made during the reporting period.

3.12.7 – Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

As of December 31, 2020 the Company entered in one factoring agreement arranged both with Banco Santander; pursuant to which Globant, LLC transferred receivables for a total amount of 1,292, there were no factoring agreements during 2021. As of December 31, 2021 and 2020 the Company incurred in a collection in advance benefit that some clients offer with JP Morgan and Deutsche Bank for a total amount of 1,568 and 3,843, respectively. The Company considers that it has substantially transferred the risks and rewards intrinsic to these receivables to the bank and therefore they were derecognized.

3.12.8 – Convertible Notes

The Company recognizes convertible notes measured at their fair value using the market approach which consist in using price and relevant information generated by market transactions involving identical or comparable assets, liabilities or group of assets and liabilities, such as a business.

As of December 31, 2021 and 2020, the fair value of the loan agreement amounted to 1,267 and 860 disclosed as other financial assets current, respectively, and 2,608 and 306 disclosed as other financial assets non-current, respectively.

3.12.8.1 Convertible notes - Globant España

During the year ended December 31, 2021, Globant España S.A. entered into 6 note purchase agreements with LookApp S.A.S, UALI Holding Limited, B2CHAT S.A.S, Avancargo Corp, Poderio S.A.S and Vozy, Inc in addition to the note purchase agreement transferred from Globant Ventures on 2020 with Drixit Technologies Inc. (the "startups"), pursuant to which Globant España S.A. provided financing facility for a total amount of 3,006. Interest on the entire outstanding principal balance is computed at annual rates ranging from 2% to 8%. Globant España S.A. has the right to convert all or any portion of the outstanding principal into equity interests of the startups.

Collokia

On May, 5, 2017, the Company and Collokia LLC, signed a loan agreement whereby the Company provides a financing facility of 100. Interest on the entire outstanding principal balance is computed at an annual rate of 2.8%. Collokia shall repay the loan in full within 18 months from the date that this agreement has been signed off. The Company has the right to convert any portion of the outstanding principal into preferred units of Collokia. As of December 31, 2020, the fair value of the loan agreement amounted to 130 and was disclosed as other financial assets current. On February 11, 2021 the Company through one of its subsidiary, entered into a Software License Agreement with Collokia LLC in exchange for the cancellation of the convertible note. Pursuant to the Software License Agreement, the parties agreed that Collokia LLC will grant the Company a perpetual, free, worldwide, non-exclusive, non-transferable and non-sublicensable license to use a software developed by Collokia LLC.

Wolox

On January 21, 2019 ("issuance date"), Globant España S.A. and Wolox, LLC (Wolox), agreed into a convertible promissory note purchase agreement whereby Globant España S.A. provides financing facility for 1,800. Interest on the entire outstanding principal balance is computed at an annual rate equal to LIBOR plus 2%. Wolox shall repay the loan in full within 18 months from the date as of the issuance date. Globant España S.A has the right to convert any portion of the outstanding principal into fully paid and nonassessable membership interest of Wolox. On December 31, 2020, Globant España S.A entered into an agreement to sell its participation for 2,600 to Accenture International B.V, the gain arising from the sell is recognized in other income and expense, net line in profit or loss.

3.12.8.2 Convertible notes - Sistemas Globales

As of December 31, 2021, Sistemas Globales S.A. maintains, since its merger with Globant Ventures SAS, 5 note purchase agreements with Interactive Mobile Media S.A. (CamonApp), Avancargo Corp., TheEye S.A.S., Robin and Woolabs S.A. (the "startups"), pursuant to which Sistemas Globales S.A. provided financing facility for a total amount of 869. Interest on the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

entire outstanding principal balance is computed at annual rates ranging from 5% to 12%. Sistemas Globales S.A. has the right to convert all or any portion of the outstanding principal into equity interests of the startups.

3.12.9 – Equity Instruments

The Company recognizes equity instruments measured at their fair value using the market approach which consist in using price and relevant information generated by market transactions involving identical or comparable assets, liabilities or group of assets and liabilities, such as a business.

As of December 31, 2021 and 2020, the fair value of equity instruments amounted to 22,088 and 10,478 disclosed as other financial assets non-current.

3.13 – Financial liabilities and equity instruments issued by the Company

3.13.1 – Classification as debt or equity

Debt and equity instruments issued by the Company and its subsidiaries are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.13.2 – Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.13.3 – Financial liabilities

Financial liabilities, including trade payables, other liabilities and borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Put option over non-controlling interest in subsidiary

On July 8, 2021 the Company entered into a put and call option agreement with the non-controlling shareholders over the remaining twenty percent (20%) over Walmeric Soluciones, S.L., which can be exercised by the non-controlling shareholders from March 1, 2022 till March 1, 2024. The Company did not recognize the call option since it was immaterial.

On July 8, 2021 the Company recognized in equity a put option over non-controlling interest of Walmeric for 16,285.

The amount that may become payable under the option on exercise is initially recognized at the present value of the redemption amount within other financial liabilities with a corresponding charge directly to equity. The charge to equity is recognized separately as written put options over non-controlling interests.

The liability is subsequently accreted through finance charges up to the redemption amount that is payable at the date at which the option first becomes exercisable. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

As of December 31, 2021, the Company has recognized as non-current other financial liabilities the written put option for an amount of 15,423 equal to the present value of the redemption amount. Changes in the measurement of the gross obligation will be recognized in the statement of comprehensive income.

3.13.4 – Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.14 – Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and short-term highly liquid investments (original maturity of less than 90 days). In the consolidated statements of financial position, bank overdrafts are included in borrowings within current liabilities.

Cash and cash equivalents as shown in the statement of cash flows only includes cash and bank balances and time deposits as disclosed in note 11.

3.15 – Reimbursable expenses

Out-of-pocket and travel expenses are recognized as expense in the statements of comprehensive income in the year they are incurred. Reimbursable expenses are billed to customers and presented within the line item "Revenues" in the statements of comprehensive income for the year.

3.16 – Share-based compensation plan

The Company has a share-based compensation plan for executives and employees of the Company and its subsidiaries. Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set forth in note 25.

The fair value determined at the grant date of the equity-settled share-based payments is recognized to spread the fair value of each award over the vesting period on a straight-line basis, based on the Company's estimate of equity instruments that will potentially vest, with a corresponding increase in equity.

3.17 – Components of other comprehensive income

Components of other comprehensive income are items of income and expense that are not recognized in profit or loss as required or permitted by other IFRSs. The Company included gains and losses arising from translating the financial statements of a foreign operation, the gains and losses related to the valuation of the financial assets measured at fair value through other comprehensive income and the effective portion of changes in the fair value of derivatives hedging instruments that are designated and qualify as cash flow hedges.

3.18 – Gain on transactions with bonds

During the year ended December 31, 2021, 2020 and 2019, the Company's Argentine subsidiaries, through cash received from intercompany loans and repayments of intercompany loans, acquired Argentine sovereign bonds in the U.S. market denominated in U.S. dollars.

After acquiring these bonds, the Company's Argentine subsidiaries sold those bonds in the Argentine market. The fair value of these bonds in the Argentine market (in Argentine pesos) during the year ended December 31, 2021 and 2020 was higher than its quoted price in the U.S. market (in U.S dollars) converted at the official exchange rate prevailing in Argentina, which is the rate used to convert these transactions in foreign currency into the Company's Argentine subsidiaries' functional currency, thus, as a result, the Company recognized a gain when remeasuring the fair value of the bonds in Argentine pesos into U.S. dollars at the official exchange rate prevailing in Argentina.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

During the year ended December 31, 2021, 2020 and 2019, the Company recorded a gain amounting to 708, 9,580 and 1,569, respectively, due to the above mentioned transactions that were disclosed under the caption "Other financial results, net" in the consolidated statements of comprehensive income (see note 2.2.1).

NOTE 4 – CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, the Company's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The critical accounting estimates concerning the future and other key sources of estimation uncertainty at the end of the reporting year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are the following:

1. Income taxes

Determining the consolidated provision for income tax expenses, deferred income tax assets and liabilities requires judgment. The provision for income taxes is calculated over the net income of the company and is inclusive of federal, local and state taxes. Deferred tax assets and liabilities are recognized for the estimated future tax consequences in each of the jurisdictions where the Company operates of temporary differences between the financial statement carrying amounts and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be reversed. Changes to enacted tax rates would result in either increases or decreases in the provision for income taxes in the period of changes.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax assets to be utilized. This assessment requires judgments, estimates and assumptions by management. In evaluating the Company's ability to utilize its deferred tax assets, the Company considers all available positive and negative evidence, including the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are recoverable. The Company's judgments regarding future taxable income are based on expectations of market conditions and other facts and circumstances. Any adverse change to the underlying facts or the Company's estimates and assumptions could require that the Company reduces the carrying amount of its net deferred tax assets.

The Company evaluates the uncertain tax treatment, such determination requires the use of significant judgment in evaluating the tax treatments and assessing the timing and amounts of deductible and taxable items, see note 3.7.1.3.

2. Impairment of trade receivables

The Company measures ECL using reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

As of December 31, 2021 and 2019, the Company recorded an impairment for an amount of 5,323 and 275, respectively, and a recovery for an amount of 107 as of December 31, 2020, using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. As of December 31, 2021 and 2020, the Company has recognized and additional impact related to COVID-19 pandemic, see note 32.

3. Fair value measurement and valuation processes

Certain assets and liabilities of the Company are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company estimates the fair value of an asset or a liability by converting future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 29.8.

4. Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

5. Purchase price allocation

The acquisition method of accounting is used to account for all business combinations. Under this method, assets acquired and liabilities assumed of the Company are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company estimates the fair value of an asset or a liability by converting future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 29.8.

The determination of the fair value of the tangible and intangible assets involves certain judgments and estimates. These judgments can include, but are not limited to, the cash flows that an asset is expected to generate in the future and the appropriate weighted average cost of capital. The fair values of the customer relationship intangible assets were determined using the multi-period excess earnings method based on discounted projected net cash flows. Management's key assumptions used in estimating future cash flows included projected revenue growth rates, customer attrition rates, and the discount rate.

NOTE 5 – REVENUE

The following tables present the Company's revenues disaggregated by type of contracts, by revenue source regarding the industry vertical of the client and by currency. The Company provides technology services to enterprises in a range of industry verticals including banks, financial services and insurance, media and entertainment, professional services, consumer, retail and manufacturing, technology and telecommunications, travel and hospitality and health care, among others. The Company understands that disaggregating revenues into these categories achieves the disclosure objective to depict how the nature,

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

amount, timing, and uncertainty of revenues may be affected by economic factors. However, this information is not considered by the chief operating decision-maker to allocate resources and in assessing financial performance of the Company. As noted in the business segment reporting information in note 27, the Company operates in a single operating and reportable segment.

By Industry vertical	For the year ended December 31,		
	2021	2020	2019
Banks, Financial Services and Insurance	308,227	193,364	143,788
Media and Entertainment	272,703	187,071	156,292
Consumer, Retail & Manufacturing	197,620	105,876	85,698
Professional Services	167,997	103,133	73,282
Technology & Telecommunications	155,665	96,643	88,183
Health Care	96,334	53,781	—
Travel & Hospitality	87,567	67,634	92,773
Other Verticals	10,965	6,637	19,309
TOTAL	1,297,078	814,139	659,325

By Currency^(*)	For the year ended December 31,		
	2021	2020	2019
United States dollar (USD)	977,349	699,769	563,747
European euro (EUR)	111,177	35,454	28,237
Chilean peso (CLP)	57,610	3,237	2,315
Argentine peso (ARS)	47,039	33,594	26,948
Mexican peso (MXN)	40,064	21,624	19,939
Brazilian real (BRL)	23,850	10,795	8,030
Pound sterling (GBP)	20,565	1,331	3,012
Colombian peso (COP)	9,803	7,791	6,831
Peruvian Sol (PEN)	9,058	8	—
Others	563	536	266
TOTAL	1,297,078	814,139	659,325

(*) Billing currency.

By Contract Type	For the year ended December 31,		
	2021	2020	2019
Time and material contracts	1,062,171	698,943	544,131
Fixed-price contracts	218,846	107,033	106,386
Subscription resales	16,039	8,156	8,525
Others	22	7	283
TOTAL	1,297,078	814,139	659,325

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 6 – COST OF REVENUES AND SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

6.1 - Cost of revenues

	For the year ended December 31,		
	2021	2020	2019
Salaries, employee benefits and social security taxes	(745,307)	(476,480)	(366,594)
Shared-based compensation expense	(3,568)	(4,109)	(4,976)
Depreciation and amortization expense	(10,730)	(9,759)	(7,350)
Travel and housing	(4,950)	(6,881)	(17,115)
Office expenses	(6,607)	(3,050)	(2,583)
Professional services	(23,989)	(6,599)	(4,440)
Promotional and marketing expenses	(687)	(498)	(252)
Recruiting, training and other employee expenses	(2,860)	(2,436)	(1,854)
Depreciation expense of right-of-use assets	(3,392)	—	—
TOTAL	(802,090)	(509,812)	(405,164)

6.2 - Selling, general and administrative expenses

	For the year ended December 31,		
	2021	2020	2019
Salaries, employee benefits and social security taxes	(139,307)	(86,390)	(68,855)
Share-based compensation expense	(38,849)	(20,519)	(14,912)
Rental expenses ⁽¹⁾	(6,045)	(5,762)	(5,260)
Office expenses	(18,298)	(13,515)	(10,733)
Professional services	(30,947)	(23,093)	(13,122)
Travel and housing	(5,414)	(3,878)	(7,259)
Taxes	(13,260)	(16,596)	(16,153)
Depreciation and amortization expense	(45,723)	(21,083)	(16,905)
Depreciation expense of right-of-use assets	(20,441)	(17,638)	(14,584)
Recruiting, training and other employee expenses	(11,575)	(4,389)	(2,299)
Promotional and marketing expenses	(10,299)	(3,517)	(2,102)
Legal claims	(2,846)	(842)	(294)
TOTAL	(343,004)	(217,222)	(172,478)

⁽¹⁾ Includes rental expenses from short-term leases and leases of low-value assets due to the impact of the adoption of IFRS 16 since January 1, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 7 – FINANCE INCOME / EXPENSE/ OTHER FINANCIAL RESULTS

	For the year ended December 31,		
	2021	2020	2019
Finance income			
Interest gain	652	1,920	958
Total	652	1,920	958
Finance expense			
Interest expense on borrowings	(915)	(2,426)	(1,226)
Interest expense on lease liabilities	(5,415)	(4,944)	(3,464)
Other interest	(4,150)	(1,505)	(419)
Other	(2,228)	(1,555)	(1,544)
Total	(12,708)	(10,430)	(6,653)
Other financial results, net			
Net (loss) gain arising from financial assets measured at fair value through PL	(8,537)	(3,423)	1,207
Net gain (loss) arising from financial assets measured at fair value through OCI	6	(16)	72
Gain (loss) arising from financial assets measured at amortized cost	—	395	99
Foreign exchange gain (loss), net	3,900	(2,935)	(8,841)
Gain on transaction with bonds	708	9,580	1,569
Total	(3,923)	3,601	(5,894)

NOTE 8 – OTHER (EXPENSE) INCOME, NET

	For the year ended December 31,		
	2021	2020	2019
Other Expense			
Remeasurement of contingent consideration (note 29.9.1)	(4,694)	(2,431)	(85)
Impairment of cryptocurrencies (note 16)	(80)	—	—
Fixed and intangibles assets disposals	(579)	(680)	—
Other	(182)	(84)	(64)
Subtotal	(5,535)	(3,195)	(149)
Other Income			
Remeasurement at FV of investment in associates (notes 12.2 and 26)	1,538	—	—
Gain from sale of financial instrument	—	800	—
Other	628	508	259
Subtotal	2,166	1,308	259
Total	(3,369)	(1,887)	110

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 9 – INCOME TAXES

9.1 – INCOME TAX RECOGNIZED IN PROFIT AND LOSS

	For the year ended December 31,		
	2021	2020	2019
Tax expense:			
Current tax expense	(53,319)	(27,834)	(19,327)
Deferred tax gain	24,822	5,527	4,310
TOTAL INCOME TAX EXPENSE	(28,497)	(22,307)	(15,017)

Most of the revenues are generated through subsidiaries located in the U.S. The Company's workforce is mainly located in Latin America and to a lesser extent in India, Eastern Europe and the U.S.

The following table provides a reconciliation of the statutory tax rate to the effective tax rate:

	For the year ended December 31,		
	2021	2020	2019
Profit before income tax	124,852	76,524	69,032
Tax calculated at the tax rate in each country	(27,757)	(13,253)	(12,714)
Argentine Knowledge Economy Law (note 3.7.1.1) ^(*)	1,157	637	3,256
Non-deductible expenses	2,122	1,180	925
Tax loss carry forward not recognized	(2,873)	(3,686)	(2,402)
Exchange difference	(1,146)	(1,781)	(4,365)
Effect of foreign exchange difference in tax base	—	(5,404)	—
Other	—	—	283
INCOME TAX EXPENSE RECOGNIZED IN PROFIT AND LOSS	(28,497)	(22,307)	(15,017)

^(*) During 2020 and 2019 the enforced regime was the Argentine Software Promotion Law, which was replaced by the Argentine Knowledge Economy Law.

9.2 – DEFERRED TAX ASSETS AND LIABILITIES

	As of December 31,	
	2021	2020
Share-based compensation plan	30,788	19,466
Provision for vacation and bonus	24,621	10,370
Intercompany trade payables	18,613	10,247
Property, equipment and intangibles	(8,370)	(5,699)
Goodwill	(3,681)	(2,799)
Allowance for doubtful accounts	1,604	727
Contingencies	356	992
Inflation adjustment	2,357	3,080
Others	1,506	2,160
Loss carryforward ⁽¹⁾	2,867	2,963
Other Assets	(1,404)	(1,122)
Property, equipment and intangibles	(12,142)	(12,576)
TOTAL DEFERRED TAX	57,115	27,809

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

⁽¹⁾ As of December 31, 2021 and 2020, the detail of the loss carryforward is as follows:

Company	2021		2020	
	Loss carryforward	Expiration date	Loss carryforward	Expiration date
Globant S.A.	—	—	201	does not expire
Dynaflows S.A.	2	2022	2	2022
Dynaflows S.A.	38	2023	33	2023
Dynaflows S.A.	100	2024	88	2024
Dynaflows S.A.	29	2025	33	2025
Dynaflows S.A.	12	2026	—	—
IAFH Global S.A	367	2024	426	2024
IAFH Global S.A	683	2025	586	2025
IAFH Global S.A	20	2026	—	—
Globant Brasil Consultoría Ltda. ⁽²⁾	358	does not expire	540	does not expire
We Are London Limited	—	—	56	does not expire
Globant UK Limited	48	does not expire	—	—
Decision Support, S.A	282	2026	—	—
Sistemas Globales S.A.	3	2022	—	—
Sistemas Globales, S.A	4	2023	—	—
Sistemas Globales, S.A	29	2024	—	—
Sistemas Globales, S.A	38	2025	—	—
Sistemas Globales, S.A	449	2026	—	—
Augmented Coding US, LLC	31	does not expire	—	—
Augmented Coding Spain, S.A	189	does not expire	—	—
Atix Labs, SRL	34	2026	—	—
Avanxo S.A.	—	—	4	2022
Avanxo S.A.	—	—	4	2023
Avanxo S.A.	—	—	32	2024
Avanxo S.A.	—	—	23	2025
BSF S.A.	151	2026	—	—
Avanxo México Sociedad Anónima Promotora de inversión de Capital Variable	—	—	379	2030
Globant India Private Limited	—	—	472	does not expire
Grupo ASSA Colombia SAS	—	—	84	2031
	2,867		2,963	

⁽²⁾ The amount of the carryforward that can be utilized for Globant Brasil Consultoría Ltda. is limited to 30% of taxable income in each carryforward year.

As of December 31, 2021 and 2020, no deferred tax liability has been recognized on investments in subsidiaries. The Company has concluded it has the ability and intention to control the timing of any distribution from its subsidiaries and it is probable that will be no reversal in the foreseeable future in a way that would result in a charge to taxable profit.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The roll forward of the deferred tax assets/(liabilities) presented in the consolidated financial position is as follows:

2021	Opening balance	Recognised in profit or loss (*)	Recognised directly in equity	Acquisitions/ disposals	Additions from business combinations	Closing balance
Deferred tax assets/(liabilities) in relation to:						
Share-based compensation plan	19,466	462	10,860	—	—	30,788
Provision for vacation and bonus	10,370	13,085	—	—	1,166	24,621
Intercompany trade payables	10,247	8,366	—	—	—	18,613
Property, equipment and intangibles	(18,275)	1,271	—	—	(3,508)	(20,512)
Goodwill	(2,799)	(882)	—	—	—	(3,681)
Allowance for doubtful accounts	727	877	—	—	—	1,604
Contingencies	992	(636)	—	—	—	356
Inflation adjustments	3,080	(723)	—	—	—	2,357
Other assets	(1,122)	(282)	—	—	—	(1,404)
Others	2,160	(654)	—	—	—	1,506
Subtotal	24,846	20,884	10,860	—	(2,342)	54,248
Loss carryforward	2,963	217	—	(313)	—	2,867
TOTAL	27,809	21,101	10,860	(313)	(2,342)	57,115

(*) Includes foreign exchange loss of 3,721.

2020	Opening balance	Recognised in profit or loss (*)	Recognised directly in equity	Acquisitions/ disposals	Additions from business combinations	Closing balance
Deferred tax assets/(liabilities) in relation to:						
Share-based compensation plan	11,587	(76)	12,416	(4,461)	—	19,466
Provision for vacation and bonus	6,533	3,829	—	—	8	10,370
Intercompany trade payables	3,553	6,694	—	—	—	10,247
Property, equipment and intangibles	1,163	(7,065)	—	—	(12,373)	(18,275)
Goodwill	(1,752)	(1,047)	—	—	—	(2,799)
Allowance for doubtful accounts	928	(224)	—	—	23	727
Contingencies	714	215	—	—	63	992
Inflation adjustments	1,186	1,408	—	—	486	3,080
Other assets	(1,028)	(94)	—	—	—	(1,122)
Others	917	247	—	—	996	2,160
Subtotal	23,801	3,887	12,416	(4,461)	(10,797)	24,846
Loss carryforward	2,039	1,219	—	(295)	—	2,963
TOTAL	25,840	5,106	12,416	(4,756)	(10,797)	27,809

(*) Includes foreign exchange loss of 421.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 10 – EARNINGS PER SHARE

The earnings and weighted average number of shares used in the calculation of basic and diluted earnings per share are as follows:

	For the year ended December 31,		
	2021	2020	2019
Net income for the year attributable to owners of the Company	96,065	54,217	54,015
Weighted average number of shares (in thousands) for the purpose of basic earnings per share	40,940	38,515	36,586
Weighted average number of shares (in thousands) for the purpose of diluted earnings per share	42,076	39,717	37,674
BASIC EARNINGS PER SHARE	\$2.35	\$1.41	\$1.48
DILUTED EARNINGS PER SHARE	\$2.28	\$1.37	\$1.43

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weight average number of ordinary shares for the purpose of diluted earnings per share:

	For the year ended December 31,		
	2021	2020	2019
Shares not-deemed to be issued in respect of employee options	30	19	4

NOTE 11 – CASH AND CASH EQUIVALENTS

	As of December 31,	
	2021	2020
Cash and bank balances	425,823	278,722
Time deposits	1,981	217
TOTAL	427,804	278,939

NOTE 12 – INVESTMENTS

12.1 – Investments

Current	As of December 31,	
	2021	2020
Mutual funds ⁽¹⁾	27,585	19,284
Commercial Papers ⁽²⁾	4,996	—
TOTAL	32,581	19,284

⁽¹⁾ Measured at fair value through profit or loss.

⁽²⁾ Measured at fair value through other comprehensive income.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

<u>Non current</u>	<u>As of December 31,</u>	
	<u>2021</u>	<u>2020</u>
Contribution to funds ⁽³⁾	1,027	615
TOTAL	1,027	615

⁽³⁾ On November 30, 2020, the Company signed a contribution agreement with Vistra ITCL and Pentathlon Ventures LLP, through which the Company committed to invest an aggregate amount approximately 2,000, as of December 31, 2021 and 2020, the Company has payed 1,027 and 615, respectively.

12.2 – Investments in associates

Collokia investment

As of December 31, 2020, the Company had a 19.5% of participation in Collokia LLC.

On February 25, 2016, the Company signed a subscription agreement with Collokia LLC, through which Collokia LLC agreed to increase its capital by issuing 55,645 preferred units, from which the Company acquired 20,998 at the price of \$23.81 per share for a total amount of 500. After this subscription, the Company has a 19.5% of participation in Collokia LLC for a total amount of 800 and accounted for this investment using the equity method considering that the Company has significant influence over the operating and governance decisions of Collokia LLC, as the participation in the board of director, the approval of budget and business plan, among other decisions.

On January 6, 2021, the Company signed an Assignment of Membership Interest Agreement with Mr. Pablo Brenner to transfer all of its membership units in Collokia LLC by exercising the Company's Put Option Right. On January 12, 2021, Collokia LLC's management acknowledged and approve the transfer, and acknowledged and accepted the withdrawal of Globant España S.A. as member of the Company.

Acamica investment

On January 26, 2016, the Company signed a subscription agreement with Ignacio Moreno, Tomás Escobar, Gonzalo Orsi and Juan Badino (jointly "the Founders"); Fitory S.A., a company organized under the laws of Uruguay; Wayra Argentina S.A., a corporation organized under the laws of Argentina; Stultum Pecuniam Ventures LLC, a limited liability company organized under the laws of the state of Washington, United States; Ms. Eun Young Hwang ("Rebecca"); Acamica S.A., a company organized under the laws of Argentina ("Acamica Argentina") and Acamica Inc, a corporation organized under the laws of the state of Delaware, United States ("Acamica US" and together with Acamica Argentina, the "Acamica Group Companies") whereas the Founders own 100% of the capital share of Acamica Group Companies and formed a new company organized under the laws of Spain ("Holdco") which owned 100% of the capital shares of Acamica US and 97% of the capital shares of Acamica Argentina.

On January 3, 2017, pursuant to the terms of the subscription agreement the Company made a capital contribution of 750 to the Acamica Tecnologías S.L. (previously referred as Holdco) in exchange for a 20% ownership stake in the entity. On May 17, 2018, the Company signed a new share purchase and subscription agreement with Fitory S.A., Stultum Pecuniam Ventures, LLC, Wayra Argentina S.A., Eun Young Hwang and Acámica Tecnologías S.A. Pursuant to such agreement, the Company purchased additional shares for an amount of 3,250. As of December 31, 2020, the Company has a 47.5% of participation in Acámica Tecnologías S.L. The investment is accounted using the equity method considering that the Company has significant influence over the operating and governance decisions of Acamica Tecnologías S.L., as the participation in the board of director, the approval of budget and business plan, among other decisions.

On April 22, 2021, the Company signed a subscription agreement alongside Fitory S.A., Wayra Argentina S.A., Stultum Pecuniam Ventures LLC, Eun Young Hwang and Digital House Group Ltd ("Digital House"), pursuant to which the investors agree to sell their participation in Acamica to Digital House in exchange for the allotment and issuance of shares. However prior to the closing, on April 29, 2021, the Company made an additional contribution to Acamica for an amount of 1,095,

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

increasing its participation to 51.93% obtaining temporary control of Acamica. On June 29, 2021, the subscription agreement was closed.

The Company's share on the profit or loss or other comprehensive income of all the above-mentioned investments for the years ended 2018 and 2017 were not significant individually nor in the aggregate, except for the impairment recognized in Collokia in 2018. For the years ended December 31, 2021 and 2020, the Company share on the profit or loss for the investment in Acamica a loss of 233 and 622, respectively.

NOTE 13 – TRADE RECEIVABLES

	As of December 31,	
	2021	2020
Current		
Accounts receivable ⁽¹⁾	274,907	181,658
Unbilled revenue	31,379	20,117
Subtotal	306,286	201,775
Less: Allowance for expected credit losses	(6,177)	(5,755)
TOTAL	300,109	196,020
Non-current		
Accounts receivable ⁽¹⁾	—	5,644
TOTAL	—	5,644

⁽¹⁾ As of December 31, 2021 and 2020, there were no amounts due from related parties (see note 24.1).

Allowance for expected credit losses

The following tables detail the risk profile of trade receivables based on the Company's provision matrix as of December 31, 2021 and 2020.

December 31, 2021	Trade receivables - days past due							Risk clients	Total
	< 30	31 - 60	61 - 90	91-120	121-180	181 - 365	> 365		
Expected credit loss rate	0.59%	1.20%	2.66%	8.20%	31.50%	67.63%	100.00%	100.00%	
Estimated total gross carrying amount at default	24,028	12,458	5,168	1,695	2,642	920	702	3,452	51,065
Lifetime ECL	142	150	138	139	832	622	702	3,452	6,177

December 31, 2020	Trade receivables - days past due						Total
	< 30	31 - 60	61 - 90	91-120	121-180	> 180	
Expected credit loss rate	0.80%	2.00%	3.50%	7.80%	20.30%	79.50%	
Estimated total gross carrying amount at default		27,787	3,982	1,159	191	534	36,288
Lifetime ECL		222	80	41	15	108	2,561

The movements in the allowance are calculated based on lifetime expected credit loss model for 2021 and 2020.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following table shows the movement in ECL that has been recognized for trade receivables in accordance with the simplified approach:

	As of December 31,		
	2021	2020	2019
Balance at beginning of year	(5,755)	(3,676)	(3,957)
Additions related to Travel and Hospitality clients (note 32)	(2,228)	(3,194)	—
(Additions) Recoveries, net (note 4.2)	(5,323)	107	(275)
Write-off of receivables	7,129	980	556
Translation	—	28	—
Balance at end of year	(6,177)	(5,755)	(3,676)

The average credit period on sales is 70 days. No interest is charged on trade receivables, except for certain customers to which financing facilities have been given with the corresponding financing charge. The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using the provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. As of December 31, 2020 the expected credit losses increased considerably due to the outbreak of Coronavirus ("COVID-19") at the beginning of the fiscal year, see note 32.

NOTE 14 – OTHER RECEIVABLES

	As of December 31,	
	2021	2020
Other receivables		
Current		
Tax credit - VAT	2,904	4,358
Tax credit - Software Promotion Regime	—	493
Income tax credits	12,213	7,053
Tax credit - Knowledge Law (note 3.7.1.1)	18,645	7,230
Other tax credits	1,920	674
Guarantee deposits	455	—
Advances to suppliers	2,750	2,142
Prepaid expenses	10,029	6,625
Loans granted to employees	105	77
Other	173	2,981
TOTAL	49,194	31,633

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	As of December 31,	
	2021	2020
<u>Non-current</u>		
Tax credit - VAT	1,193	392
Income tax credits	10,671	3,037
Tax credit - Software Promotion Regime (note 3.7.1.1)	8	—
Tax credit - Knowledge Law (note 3.7.1.1)	5,951	1,784
Other tax credits	100	145
Guarantee deposits	4,390	3,091
Loans granted to employees	101	101
Prepaid expenses	1,172	1,348
Other	677	—
Subtotal	<u>24,263</u>	<u>9,898</u>
Allowance for impairment of tax credits	—	(269)
TOTAL	<u>24,263</u>	<u>9,629</u>

As of December 31, 2021, 2020 and 2019, the Company recorded a recovery for an amount of 269, 7 and 47, respectively, based on assumptions about expected credit losses. The Company uses judgment in making these assumptions based on existing regulatory conditions as well as forward looking estimates, which are described as follows. The tax credits included in the allowance for impairment are mainly related to Argentine taxation. The Company estimated the future VAT credit and VAT debit that comes from domestic purchases and sales, respectively. Since exports are zero-rated, any excess portion of the credit not used against any VAT debit is reimbursable to the Company, through a special VAT recovery regime. However, according to VAT recovery rules, there are certain limitations on the amount that may be reimbursed and the Company considered any VAT credit that cannot be reimbursed to be an impairment.

Roll forward of the allowance for impairment of tax credits

	As of December 31,		
	2021	2020	2019
Balance at beginning of year	269	378	675
(Recovery) additions (note 4.4)	(269)	(7)	(47)
Foreign exchange	—	(102)	(250)
Balance at end of year	<u>—</u>	<u>269</u>	<u>378</u>

NOTE 15 – PROPERTY AND EQUIPMENT

The Company reviews the estimated useful lives of property and equipment at the end of each reporting period. The Company determined that the useful lives of the assets included as property and equipment are in accordance with their expected lives.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Property and equipment as of December 31, 2021 included the following:

	Computer equipment and software	Furniture and office supplies	Office fixtures	Vehicles	Buildings	Lands	Properties under construction	Total
Useful life (years)	3	5	3	5	50			
Cost								
Values at beginning of year	50,332	10,084	51,568	79	13,907	2,354	49,803	178,127
Additions related to business combinations (note 26.18)	269	781	456	273	—	—	—	1,779
Additions	17,644	3,709	1,372	—	64	—	28,591	51,380
Disposals	(1,462)	(418)	(506)	(138)	—	—	(322)	(2,846)
Transfers	—	—	15,454	—	—	—	(15,454)	—
Translation	17	51	(42)	26	—	—	(4)	48
Values at end of year	66,800	14,207	68,302	240	13,971	2,354	62,614	228,488
Depreciation								
Accumulated at beginning of year	32,647	6,651	36,601	17	1,184	—	—	77,100
Additions	10,571	2,073	6,811	36	308	—	—	19,799
Disposals	(1,216)	(279)	(460)	(54)	—	—	—	(2,009)
Translation	22	30	(37)	12	—	—	—	27
Accumulated at end of year	42,024	8,475	42,915	11	1,492	—	—	94,917
Carrying amount	24,776	5,732	25,387	229	12,479	2,354	62,614	133,571

Property and equipment as of December 31, 2020 included the following:

	Computer equipment and software	Furniture and office supplies	Office fixtures	Vehicles	Buildings	Lands	Properties under construction	Total
Useful life (years)	3	5	3	5	50			
Cost								
Values at beginning of year	38,939	9,599	50,357	108	13,821	2,354	34,171	149,349
Additions related to business combinations (note 26.18)	1,075	222	139	29	—	—	—	1,465
Additions	10,900	625	810	—	10	—	16,285	28,630
Disposals	(592)	(489)	(71)	(58)	—	—	(46)	(1,256)
Transfers	—	89	442	—	76	—	(607)	—
Translation	10	38	(109)	—	—	—	—	(61)
Values at end of year	50,332	10,084	51,568	79	13,907	2,354	49,803	178,127
Depreciation								
Accumulated at beginning of year	25,277	5,344	30,290	28	877	—	—	61,816
Additions	7,837	1,464	6,413	16	307	—	—	16,037
Disposals	(496)	(250)	(35)	(31)	—	—	—	(812)
Translation	29	93	(67)	4	—	—	—	59
Accumulated at end of year	32,647	6,651	36,601	17	1,184	—	—	77,100
Carrying amount	17,685	3,433	14,967	62	12,723	2,354	49,803	101,027

NOTE 16 – INTANGIBLE ASSETS

The Company reviews the estimated useful lives of intangible assets at the end of each reporting period. The Company determined that the useful lives of the assets included as intangible assets are in accordance with their expected lives.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

If any impairment indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs of disposal and value in use. The discount rate used is the appropriate weighted average cost of capital.

During the year, the Company considered the recoverability of its internally generated intangible asset which are included in the consolidated financial statements as of December 31, 2021 and 2020 with a carrying amount of 32,227 and 18,537, respectively.

The Company has recognized an impairment of 83 and 720 as of December 31, 2020 and 2019, respectively. As of December 31, 2021 no impairment was recognized. The impairment was recognized as a result of the Company's evaluation of such internal developments, upon which the Company projected lower future cash flows from the related intangible assets.

Intangible assets as of December 31, 2021 included the following:

	Licenses and internal developments	Customer relationships and contracts	Non-compete agreements	Cryptocurrencies(*)	Total
Useful life (years)	5	1 - 9	3		
Cost					
Values at beginning of year	72,538	74,792	834	—	148,164
Additions related to business combinations (note 26.18)	2,031	12,046	127	—	14,204
Additions from separate acquisitions	7,316	—	—	1,216	8,532
Additions from internal development	29,713	—	—	—	29,713
Disposals	(12,565)	—	—	—	(12,565)
Translation	3	(2)	—	—	1
Values at end of year	<u>99,036</u>	<u>86,836</u>	<u>961</u>	<u>1,216</u>	<u>188,049</u>
Amortization and impairment					
Accumulated at beginning of year	47,360	13,459	624	—	61,443
Additions	21,244	15,093	317	—	36,654
Impairment loss recognized in profit or loss	—	—	—	80	80
Disposals	(12,153)	—	—	—	(12,153)
Translation	9	—	—	—	9
Accumulated at end of year	<u>56,460</u>	<u>28,552</u>	<u>941</u>	<u>80</u>	<u>86,033</u>
Carrying amount	<u><u>42,576</u></u>	<u><u>58,284</u></u>	<u><u>20</u></u>	<u><u>1,136</u></u>	<u><u>102,016</u></u>

(*) As of December 31, 2021, the Company's crypto assets are comprised by Bitcoin and Ethereum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Intangible assets as of December 31, 2020 included the following:

	<u>Licenses and internal developments</u>	<u>Customer relationships and contracts</u>	<u>Non-compete agreements</u>	<u>Total</u>
Useful life (years)	5	1 - 9	3	
Cost				
Values at beginning of year	48,318	25,285	586	74,189
Additions related to business combinations (note 26.18)	813	49,507	248	50,568
Additions from separate acquisitions	7,065	—	—	7,065
Additions from internal development	17,388	—	—	17,388
Disposals	(1,025)	—	—	(1,025)
Translation	(21)	—	—	(21)
Values at end of year	<u>72,538</u>	<u>74,792</u>	<u>834</u>	<u>148,164</u>
Amortization and impairment				
Accumulated at beginning of year	35,473	11,020	586	47,079
Additions	12,328	2,439	38	14,805
Impairment loss recognized in profit or loss	83	—	—	83
Disposals	(518)	—	—	(518)
Translation	(6)	—	—	(6)
Accumulated at end of year	<u>47,360</u>	<u>13,459</u>	<u>624</u>	<u>61,443</u>
Carrying amount	<u>25,178</u>	<u>61,333</u>	<u>210</u>	<u>86,721</u>

NOTE 17 – OTHER ASSETS

The Company bills customers and receives invoices from suppliers based on a billing schedule established in the subscription resales contracts. Therefore, the outstanding balance of other assets includes the right to consideration related to subscriptions that have not yet been invoiced by the Company, and trade payables includes the expenses accrual for the cost that have not yet been invoiced by the suppliers.

The outstanding balance of other assets as of December 31, 2021 and 2020 is as follows:

	<u>As of December 31,</u>	
	<u>2021</u>	<u>2020</u>
Other assets		
Current		
Unbilled Subscriptions	<u>7,855</u>	<u>8,146</u>
Non-current		
Unbilled Subscriptions	<u>8,583</u>	<u>6,954</u>

GLOBANT S.A.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 18 – OTHER FINANCIAL ASSETS AND LIABILITIES

	As of December 31,	
	2021	2020
Other financial assets		
Current		
Convertible notes	1,267	860
Foreign exchange forward contracts	758	492
Guarantee deposits	—	190
Others	32	35
TOTAL	2,057	1,577
Non-current		
Convertible notes	2,608	306
Equity instruments	22,088	10,478
Interest rate SWAP	534	—
Guarantee deposits	—	4,363
Others	3	—
TOTAL	25,233	15,147
Other financial liabilities		
Current		
Other financial liabilities related to business combinations (note 26)	61,561	19,729
Foreign exchange forward contracts	1,498	93
TOTAL	63,059	19,822
Non-current		
Other financial liabilities related to business combinations (note 26)	51,509	73,639
Put option on minority interest of Walmeric (note 26)	15,423	—
Interest rate SWAP	—	737
TOTAL	66,932	74,376

18.1 Equity Instruments**Digital House investment**

On December 31, 2020, Globant España S.A. entered into a share purchase agreement along side other two partners to acquire between the three of them 614,251 shares of Digital House Group Ltd, which 204,750 correspond to Globant España S.A, such amount was acquired for 9,167. On April 22, 2021, the Company entered into a subscription agreement pursuant to which the investors sell their participation in Acamica in exchange for an increase in Digital House's investment for 5,848. Additionally on September 30, 2021, the Company paid an additional 862, increasing its investment to 15.8%. As of December 31, 2021 and 2020, the Company has a 15.8% and 15% equity interest on Digital House, respectively, and the amount disclosed is 15,877 and 9,167 as other financial assets non-current, respectively.

ELSA investment

On January 15, 2021, Globant España, signed a stock purchase agreement and acquired 4% of ELSA, Corp., for 2,700.

VU investment

On April, 23, 2021, Globant España, signed a stock purchase agreement and acquired 3% of VU Inc., for 2,200.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Singularity investment

On July 8, 2019 ("issuance date"), Globant España S.A. and Singularity Education Group, agreed into a note purchase agreement whereby Globant España S.A. provides financing facility for 1,250. Interest on the entire outstanding principal balance is computed at an annual rate of 5%. Singularity Education Group shall repay the loan in full within 1 year from the effective date. Globant España S.A has the right to convert any portion of the outstanding principal into Conversion Shares of Singularity Education Group. As of December 31, 2019, the fair value of the loan agreement amounted to 1,280 and is disclosed as other financial assets current.

On August 27, 2020 Globant España S.A decided to convert all the outstanding principal into shares as mentioned in the previous note purchase agreement, Singularity Education Group issued through purchase conversion 10,655,788 shares at \$0.1231 per share for a total amount of 1,311, such amount is disclosed as other financial asset non-current.

NOTE 19 – TRADE PAYABLES

	As of December 31,		
	2021	2020	
<u>Current</u>			
Suppliers	22,166	16,928	
Advanced payments from customers	7,954	—	
Expenses accrual	33,090	18,338	
TOTAL	63,210	35,266	
		As of December 31,	
		2021	2020
<u>Non current</u>			
Expenses accrual	6,387	5,240	
TOTAL	6,387	5,240	

NOTE 20 – PAYROLL AND SOCIAL SECURITY TAXES PAYABLE

	As of December 31,	
	2021	2020
Salaries	12,815	12,018
Social security tax	25,412	22,140
Provision for vacation, bonus and others	146,000	77,015
Directors fees	214	139
Other	23	569
TOTAL	184,464	111,881

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 21 – BORROWINGS

The principal balances of outstanding borrowings under lines of credit with banks and financial institutions were as follows:

	As of December 31,	
	2021	2020
Centro para el Desarrollo Tecnológico Industrial (Spain)	1,484	—
Banco Santander (Spain)	850	—
Banco Supervielle (Argentina)	71	188
Banco Santander (Argentina)	9,835	—
HSBC Bank and Citibank - Syndicated loan (United States)	—	25,028
Banco ICBC (Argentina)	—	752
TOTAL	12,240	25,968

Such balances were included as current and non-current borrowings in the consolidated statement of financial position as follows:

	As of December 31,	
	2021	2020
Current		
Bank loans	10,156	907
Other loans	149	—
<i>Sub-Total</i>	<u>10,305</u>	<u>907</u>
Non-current		
Bank loans	600	25,061
Other loans	1,335	—
<i>Sub-Total</i>	<u>1,935</u>	<u>25,061</u>
TOTAL	12,240	25,968

On November 1, 2018, Globant, LLC, the Company's U.S. subsidiary, entered into an Amended and Restated ("A&R") Credit Agreement by and among certain financial institutions, as lenders, and HSBC Bank USA, National Association, as administrative agent, issuing bank and swingline lender. The A&R Credit Agreement amended and restated the Credit Agreement dated as of August 3, 2017. Under the A&R Credit Agreement, Globant, LLC could have borrowed (i) up to 50,000 in a single borrowing on or prior to May 1, 2019 under a delayed-draw term loan facility and (ii) up to 150,000 under a revolving credit facility. In addition, Globant, LLC could have requested increases of the maximum amount available under the revolving facility in an aggregate amount not to exceed 100,000. The maturity date of the facilities was October 31, 2023. Pursuant to the terms of the A&R Credit Agreement, interest on loans extended thereunder shall accrue at a rate per annum equal to London Interbank Offered Rate ("LIBOR") plus 1.75%. Globant, LLC's obligations under the A&R Credit Agreement were guaranteed by the Company and its subsidiary Globant España S.A., and are secured by substantially all of Globant, LLC's now owned and after-acquired assets. The A&R Credit Agreement contained certain customary negative and affirmative covenants.

On February 6, 2020, Globant, LLC, our US subsidiary (the "Borrower"), entered into a Second Amended and Restated Credit Agreement (the "Second A&R Credit Agreement"), by and among certain financial institutions listed therein, as lenders, and HSBC Bank USA, National Association, as administrative agent, issuing bank and swingline lender. Under the Second A&R Credit Agreement, which amends and restates the existing A&R Credit Agreement dated as of November 1, 2018, the Borrower may borrow (i) up to \$100 million in up to four borrowings on or prior to August 6, 2021 under a delayed-draw term loan facility and (ii) up to \$250 million under a revolving credit facility. In addition, the Borrower may request increases of the maximum amount available under the revolving facility in an aggregate amount not to exceed \$100 million. The maturity date of each of the facilities is February 5, 2025. Pursuant to the terms of the Second A&R Credit Agreement, interest on the loans extended thereunder shall accrue at a rate per annum equal to either (i) LIBOR plus 1.50%, or (ii) LIBOR plus 1.75%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

determined based on the Borrower's Maximum Total Leverage Ratio (as defined in the Second A&R Credit Agreement). The Borrower's obligations under the Second A&R Credit Agreement are guaranteed by the Company and its subsidiary Globant España S.A., and are secured by substantially all of the Borrower's now owned and after-acquired assets. The Second A&R Credit Agreement principally contains the following covenants: delivery of certain financial information; payment of obligations, including tax liabilities; use of proceeds only for transaction costs payments, for lawful general corporate purposes and working capital; Globant, LLC's Fixed Charge Coverage Ratio shall not be less than 1.25 to 1.00; Globant, LLC's Maximum Total Leverage Ratio shall not exceed 3.00 to 1.00; Globant, LLC or any of its subsidiaries shall not incur in any indebtedness, except for the ones detailed in the agreement; Globant, LLC or any of its subsidiaries shall not assume any Lien; advances to officers, directors and employees of the Borrower and Subsidiaries in an aggregate amount not to exceed 50 outstanding at any time; restricted payments not to exceed 10,000 per year; Globant, LLC shall not maintain intercompany payables owed to any of its Argentina Affiliates except to the extent (i) such payables are originated in transactions made in the ordinary course of business and (ii) the aggregate amount of such payables do not exceed an amount equal to five times the average monthly amount of such Affiliates' billings for the immediately preceding 12 month period; Globant, LLC's capital expenditures limited to 10% the Company's consolidated net revenue per year and Globant, LLC's annual revenue is to remain at no less than 60% of the Company's consolidated annual revenue; among others.

Movements in borrowings are analyzed as follows:

	As of December 31,		
	2021	2020	2019
Balance at the beginning of year	25,968	51,386	—
Borrowings related to business combination (note 26.18) ⁽¹⁾⁽⁴⁾	2,538	13,969	1,290
Proceeds from new borrowings ⁽²⁾⁽⁵⁾	13,500	155,108	90,523
Payment of borrowings ⁽³⁾⁽⁵⁾	(30,216)	(196,202)	(41,570)
Accrued interest ⁽⁴⁾	915	2,299	1,226
Foreign exchange ⁽⁴⁾	(375)	(592)	(83)
Translation ⁽⁴⁾	(90)	—	—
TOTAL	12,240	25,968	51,386

⁽¹⁾ Corresponds to two loan agreements granted by the Centro para el Desarrollo Tecnológico e Industrial (CDTI) of Spain to Walmeric with maturity dates on September 30, 2025 and January 25, 2030; and also to a borrowing with Banco Santander with maturity date on April 2025 granted to Hybrid. These borrowings do not have covenants. During the year ended December 31, 2021 through the business combinations the Company acquired borrowings mainly with Corrum, Banco Macro, HSBC, ICBC, Banco Provincia, BBVA, Aurum Fundo de Investimentos and Itau, with maturity date between October 9, 2020 and July 30, 2021. These borrowings do not have covenants.

⁽²⁾ On October 23, 2021, Sistemas Globales, S.A borrowed 10,061 from Banco Santander and will mature in October 2022. On March 23, 2020, March 24, 2020, and April 1, 2020, Globant, LLC borrowed 64,000, 11,000 and 75,000, respectively, under the Amended and Restated Credit Agreement for the year ended December 31, 2020. This loan will mature on February 5, 2025.

⁽³⁾ During the year ended December 31, 2021, the main payments were 25,000 by Globant LLC related to the principal amount of the Amended and Restated Credit Agreement. During the year ended December 31, 2020, the main payments were 523 paid on March 26, 2020 by Avaxo Colombia related to the principal amount of the borrowing with Banco Santander and 126,927 paid by Globant, LLC related to the principal amount and interest of the A&R Credit Agreement. During August and September, 2020, the Company proceed to pay 12,636 of the borrowings related to Grupo Assa acquisition. On October 31, 2020 and December 31, 2020 Globant, LLC paid 20,188 and 30,080, respectively, related to the A&R Credit Agreement.

⁽⁴⁾ Non-cash transactions.

⁽⁵⁾ Cash transactions.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

NOTE 22 – TAX LIABILITIES

	As of December 31,	
	2021	2020
Current		
Periodic payment plan	379	107
VAT payable	9,927	4,599
Wage withholding taxes	3,354	2,721
Personal properties tax accrual	1,139	1,062
Taxes payable related to LEC	1,385	687
Sales taxes payable	100	189
Other	1,787	2,439
TOTAL	18,071	11,804

NOTE 23 – CONTINGENT LIABILITIES

The Company is subject to legal proceedings and claims which arise in the ordinary course of its business. The Company records a provision for labor, regulatory and commercial claims where the risk of loss is considered probable. The final resolution of these potential claims is not likely to have a material effect on the results of operations, cash flow or the financial position of the Company.

Breakdown of reserves for lawsuits claims and other disputed matters include the following:

	As of December 31,	
	2021	2020
Reserve for labor claims	5	53
Reserve for commercial claims	—	2,400
Reserve for regulatory claims	9,632	10,130
TOTAL	9,637	12,583

Roll forward is as follows:

<u>Reserve for labor claims</u>	As of December 31,		
	2021	2020	2019
Balance at beginning of year	53	91	678
Additions	8	72	907
Recovery	(10)	(50)	(1,247)
Utilization of provision for contingencies	(38)	—	(99)
Foreign exchange	(8)	(60)	(148)
Balance at end of year	5	53	91

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	As of December 31,		
	2021	2020	2019
<u>Reserve for regulatory claims</u>			
Balance at beginning of year	10,130	1,511	2,184
Additions ⁽³⁾	863	176	219
Additions related to business combinations	—	9,124	—
Recovery	(258)	—	(879)
Utilization of provision for contingencies	(509)	(615)	(95)
Foreign exchange	(594)	(66)	82
Balance at end of year ⁽⁴⁾	9,632	10,130	1,511

	As of December 31,		
	2021	2020	2019
<u>Reserve for commercial claims</u>			
Balance at beginning of year	2,400	1,000	—
Additions ⁽¹⁾	5,166	1,400	1,000
Utilization of provision for contingencies ⁽²⁾	(7,566)	—	—
Balance at end of year	—	2,400	1,000

⁽¹⁾ On August 8, 2019, Certified Collectibles Group, LLC (“CCG”) and its affiliates filed a complaint in the U.S. District Court for the Middle District of Florida, Tampa Division, (Civil Action No. 19-CV-1962) against Globant S.A. and Globant, LLC, arising from a dispute relating to a service contract. After several discussions, on July 30, 2021, the parties filed a notice of settlement with the court. The claim was settled in 7,250 (of which 2,700 were covered by insurance reimbursement accounted for in Other Receivables line).

⁽²⁾ On September 15, 2021, the Company made the first of two installment payments related to the settlement with Certified Collectibles Group, LLC. On November 30, 2021 the second installment was paid leaving the liability fully settled.

⁽³⁾ Since 2018, certain of our non-U.S. subsidiaries have been under examination by the U.S. Internal Revenue Service (“IRS”) regarding payroll and employment taxes primarily in connection with services performed by employees of certain of our subsidiaries in the United States from 2013 to 2015. On May 1, 2018, the IRS issued 30-day letters to those subsidiaries proposing total assessments of 1,400 plus penalties and interest for employment taxes for those years. Our subsidiaries filed protests of these proposed assessments with the IRS on July 16, 2018. Following discussions with the IRS, during the fourth quarter of 2021, the IRS and our subsidiaries have reached a preliminary agreement on the proposed assessments which would amount to 1,300 including applicable interests and penalties. As of December 31, 2021, the Company is awaiting for final confirmation from the IRS to pay the amount of the assessment and settle this matter definitely.

⁽⁴⁾ Between 2010 and 2014, certain of Grupo Assa’s Brazilian subsidiaries were subject to two examinations by the Ministry of Labor (“MTE”) and the Brazilian Internal Revenue Service (“RFB”) in relation to the potential hiring of employees as independent contractors. As a result of such examinations, the MTE and the RFB initiated different administrative proceedings against Grupo Assa’s Brazilian subsidiaries, seeking to collect payment of taxes and social security contributions allegedly owed by the companies, and impose certain associated fines. As of December 31, 2021, some of these administrative proceedings are still ongoing while others have derived in judicial proceedings, the recognized liability as of December 31, 2021 is 7,670. Under the Equity Purchase Agreement entered into for the acquisition of Grupo ASSA Worldwide S.A. and its affiliates (collectively, “Grupo Assa”), certain of the above mentioned proceedings are subject to indemnification provisions from the sellers.

NOTE 24 – RELATED PARTIES BALANCES AND TRANSACTIONS

24.1 – Related parties

As of December 31, 2021 and 2020 there are no outstanding balances with related parties to disclose.

During the year ended December 31, 2021 and 2020, the Company did not recognized revenues from operations with related parties.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

During the year ended December 31 2019, the Company recognized revenues for 1,419, as follows:

	For the year ended December 31,		
	2021	2020	2019
Morgan Stanley Investment Management Inc. ^(*)	—	—	1,257
Mercado Libre S.R.L. ^(*)	—	—	162
Total	—	—	1,419

^(*)Morgan Stanley and Mercado Libre S.R.L were no longer considered a related party as of December 31, 2020. As of that date disclosure of revenues as related parties from these customers is not required.

24.2 – Compensation of key management personnel

The remuneration of directors and other members of key management personnel during each of the three years are as follows:

	For the year ended December 31,		
	2021	2020	2019
Salaries and bonuses	6,709	6,643	6,914
Total	6,709	6,643	6,914

The remuneration of directors and key executives is determined by the Board of Directors based on the performance of individuals and market trends.

During 2019, the Company granted 4,000 share options at a strike price of \$52.10.

During 2019, the Company granted 82,800, 2,400 and 2,390 restricted stock units at a grant price of \$87.44, \$52.10 and \$69.77, respectively.

During 2020, the Company granted 88,350, 895, 740 and 52,660 restricted stock units at a grant price of \$130.99, \$140.00, \$170.00 and \$189.53, respectively.

During 2021, the Company granted 55,500, 5,000, 1,564, 540, 702 and 468 restricted stock units at grant prices of \$298.47, \$297.49, \$267.19, \$232.11, \$213.57 and \$328.96, respectively.

NOTE 25 – EMPLOYEE BENEFITS

25.1 – Share-based compensation plan

In July 2014, the Company adopted a new Equity Incentive Program, the 2014 Plan.

Pursuant to this plan, on July 18, 2014, the first trading day of the Company common shares on the NYSE, the Company made the annual grants for 2014 Plan to certain of the executive officers and other employees. The grants included share options with a vesting period of 4 years, becoming exercisable a 25% of the options on each anniversary of the grant date through the fourth anniversary of the grant. Share-based compensation expense for awards of equity instruments is determined based on the fair value of the awards at the grant date.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry (ten years after the effective date).

Under this share-based compensation plan, during the year 2019, other share-based compensation agreements were signed for a total of 4,000 options granted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

In addition, on December 1, 2021, our compensation committee, as administrator, approved the granting of awards in the form of Stock-Equivalent Units to be settled in cash or common shares ("SEUs Plan"), or a combination thereof, under the 2014 Equity Incentive Plan. The purpose of the SEUs Plan is to provide an incentive to attract, retain and reward talent in the IT industry and to prompt such persons to contribute to the growth and profitability of the Company. The SEUs Plan provides all eligible employees the opportunity of receiving a grant of SEUs with a unit value equal to the market value of one common share of the Company, to be settled in cash or common shares of the Company. As of the date of this annual report we granted no SEUs.

Share-based compensation expense for awards of equity instruments to employees and non-employee directors is determined based on the grant-date fair value of the awards. Fair value is calculated using Black & Scholes model.

During the years 2021 and 2020, as part of the 2014 Equity Incentive Plan, the Company granted awards to certain employees in the form of Restricted Stock Units ("RSUs"), having a par value of \$1.20 each, with a specific period of vesting. Each RSU is equivalent in value to one share of the company's common stock and represents the Company's commitment to issue one share of the Company's common stock at a future date, subject to the term of the RSU agreement.

Until the RSUs vest, they are an unfunded promise to issue shares of stock to the recipient at some point in the future. The RSUs carry neither rights to dividends nor voting rights. RSU's vesting is subject to the condition that the employee must remain in such condition as of the vesting date.

The Company may determine a percentage of RSU, as part of the full year compensation package payment.

These RSUs agreements have been recorded as Equity Settled transactions in accordance to IFRS 2, and they were measured at fair value of shares at the grant date.

The following shows the evolution of the share options for the years ended at December 31, 2021 and 2020:

	As of December 31, 2021		As of December 31, 2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of year	857,643	31.57	1,051,602	31.82
Forfeited during the year	—	—	(18,687)	40.57
Exercised during the year	(213,686)	30.93	(175,272)	33.24
Balance at end of year	643,957	31.79	857,643	31.57

The following shows the evolution of the RSUs for the years ended at December 31, 2021 and 2020:

	As of December 31, 2021		As of December 31, 2020	
	Number of RSU	Weighted average grant price	Number of RSU	Weighted average grant price
Balance at the beginning of year	664,345	101.25	624,896	64.05
RSU granted during the year	168,669	276.51	309,384	147.22
Forfeited during the year	(18,130)	111.37	(50,888)	98.18
Issued during the year	(235,392)	89.18	(219,047)	59.37
Balance at end of year	579,492	164.73	664,345	101.25

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following tables summarizes the RSU at the end of the year:

<u>Grant date</u>	<u>Grant price (\$)</u>	<u>Number of Restricted Stock Units</u>	<u>Fair value at grant date (\$)</u>	<u>Expense as of December 31, 2021 (\$) ^(*)</u>
2017	from 36.30 to 42.00	—	—	16
2018	from 46.00 to 55.07	83,567	3,887	5,427
2019	from 52.10 to 103.75	129,716	11,337	6,421
2020	from 104.25 to 189.53	198,016	29,912	18,864
2021	from 184.00 to 328.96	157,169	43,192	6,966
Subtotal		568,468	88,328	37,694
Non employees RSU				
2020	from 104.25 to 189.53	3,750	711	565
2021	from 184.00 to 328.96	7,274	2,068	386
Subtotal		11,024	2,779	951
Total		579,492	91,107	38,645

GLOBANT S.A.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following tables summarizes the share options at the end of the year:

Grant date	Exercise price (\$)	Number of stock options	Number of stock options vested as of December 31, 2021	Fair value at grant date (\$)	Fair value vested (\$)	Expense as of December 31, 2021 ^(c)
2014	10.00	70,313	70,313	236	236	—
2015	from 28.31 to 34.20	135,007	135,007	940	940	—
2016	from 29.01 to 39.37	283,887	283,887	2,225	2,225	—
2017	from 36.30 to 38.16	7,500	7,500	64	64	198
2018	from 44.97 to 55.07	118,250	71,750	2,400	1,461	3,019
2019	52.10	2,000	—	45	—	110
Subtotal		616,957	568,457	5,910	4,926	3,327
Non employees stock options						
2016	from 29.01 to 39.37	27,000	27,000	248	248	—
Subtotal		27,000	27,000	248	248	—
Total		643,957	595,457	6,158	5,174	3,327

^(c) Includes social security taxes.

Deferred income tax asset arising from the recognition of the share-based compensation plan amounted to 30,788 and 19,466 for the years ended December 31, 2021 and 2020, respectively.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

25.2 - Share options exercised and RSU vested during the year:

	<u>As of December 31, 2021</u>		<u>As of December 31, 2020</u>	
	<u>Number of options exercised</u>	<u>Exercise price</u>	<u>Number of options exercised</u>	<u>Exercise price</u>
Granted in 2014	33,687	10.00	3,826	10.00
Granted in 2015	37,409	28.31	37,706	28.31
Granted in 2015	4,000	34.20	—	34.20
Granted in 2015	—	29.34	1,001	29.34
Granted in 2016	30,000	29.01	34,146	29.01
Granted in 2016	52,840	32.36	47,343	32.36
Granted in 2017	10,000	38.16	20,000	38.16
Granted in 2017	—	36.30	7,500	36.30
Granted in 2018	5,000	44.97	5,000	44.97
Granted in 2018	38,250	46.00	13,750	46.00
Granted in 2018	1,500	50.92	1,500	50.92
Granted in 2018	—	55.07	2,500	55.07
Granted in 2019	1,000	52.10	1,000	52.10
Balance at end of the year	213,686		175,272	

The average market price of the share amounted to 251.18 and 150.29 for years 2021 and 2020, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following tables summarizes the RSU vested during the years 2021 and 2020:

	December 31, 2021		December 31, 2020	
	Number of RSUs vested	Grant price	Number of RSUs vested	Grant price
Granted in 2017	500	36.30	500	36.30
Granted in 2017	—	37.00	45,242	37.00
Granted in 2017	1,625	42.00	1,625	42.00
Granted in 2018	89,617	46.00	91,658	46.00
Granted in 2018	1,000	55.07	1,000	55.07
Granted in 2018	1,000	52.74	1,000	52.74
Granted in 2018	2,500	50.92	2,500	50.92
Granted in 2019	600	52.10	600	52.10
Granted in 2019	66,318	87.44	69,392	87.44
Granted in 2019	1,000	94.93	1,000	94.93
Granted in 2019	750	103.75	750	103.75
Granted in 2020	3,125	137.57	3,125	137.57
Granted in 2020	—	152.49	655	152.49
Granted in 2020	2,336	104.25	—	104.25
Granted in 2020	41,046	130.99	—	130.99
Granted in 2020	895	140.00	—	140.00
Granted in 2020	740	170.00	—	170.00
Granted in 2020	1,500	184.72	—	184.72
Granted in 2020	18,408	189.53	—	189.53
Granted in 2021	57	213.57	—	213.57
Granted in 2021	2,375	232.11	—	232.11
Balance at end of the year	235,392		219,047	

25.3 - Fair value of share-based compensation granted

Determining the fair value of the stock-based awards at the grant date requires judgment. The Company calculated the fair value of each option award on the grant date using the Black-Scholes option pricing model. The Black-Scholes model requires the input of highly subjective assumptions, including the fair value of the Company's shares, expected volatility, expected term, risk-free interest rate and dividend yield.

The Company estimated the following assumptions for the calculation of the fair value of the share options:

Assumptions	Granted in 2019 for 2014 plan
Stock price	52.10
Expected option life	6 years
Volatility	40%
Risk-free interest rate	3.10%

There were no granted stock options as of December 31, 2021 and 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The Company's grants under its share-based compensation plan with employees are measured based on fair value of the Company's shares at the grant date and recognized as compensation expense on a straight-line basis over the requisite service period, with a corresponding impact reflected in additional paid-in capital.

The Company calculated the fair value of each option award on the grant date using the Black-Scholes option pricing model. The Black-Scholes model requires the input of highly subjective assumptions, including the fair value of the Company's shares, expected volatility, expected term, risk-free interest rate and dividend yield.

Fair value of the shares: For 2014 Equity Incentive Plan, the fair value of the shares is based on the quote market price of the Company's shares at the grant date.

Expected volatility: The expected volatility of the Company's shares is calculated by using the average share price volatility of the Company since January 1, 2016 to the date of grant.

Expected term: The expected life of options represents the period of time the granted options are expected to be outstanding.

Risk free rate: The risk-free rate for periods within the contractual life of the option is based on the U.S. Federal Treasury yield curve with maturities similar to the expected term of the options.

Dividend yield: The Company has never declared or paid any cash dividends and do not presently plan to pay cash dividends in the foreseeable future. Consequently, the Company used an expected dividend yield of zero.

25.4 - Employee Share Purchase Plan

In March 2021, the Company adopted the Globant S.A. 2021 Employee Share Purchase Plan (the "ESPP"), with effect as of March 1, 2021. This plan is additional to the 2012 long-term incentive plan and the 2014 Equity Incentive Plan. The ESPP provides eligible employees with an opportunity to acquire a proprietary interest in the Company through the purchase of the Company's common shares.

The ESPP permits participants to purchase Common Shares through payroll deductions defined by the employee up to a maximum percentage set in each country of their eligible compensation. The ESPP will typically be implemented through consecutive six-month offering periods. Amounts deducted and accumulated from participant compensation will be used to purchase Common Shares at the end of each offering period. Under the terms of the ESPP, the purchase price of the shares shall not be less than 90.0% of the lower of the fair market value of a Common Share on the first trading day of the offering period or on the purchase date. Subject to adjustment as provided by the ESPP and unless otherwise provided by the Compensation Committee, the purchase price for each offering period shall be 90% of the fair market value of a Common Share on the purchase date. As of December 31, 2021, as a result of offerings to the employees the Company has repurchased 27,000 shares from which 7,453 have been delivered.

NOTE 26 – BUSINESS COMBINATIONS

26.1 Acquisition of Clarice Technologies

On May 14, 2015 ("closing date"), Globant España S.A. acquired Clarice Technologies PVT, Ltd ("Clarice"), a company organized and existing under the laws of India. Clarice is an innovative software product development services company that offers product engineering and user experience (UX) services and has operations in the United States and India. As of the closing date, the total headcount of Clarice was 337 employees distributed in India and United States. The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Clarice.

On August 5, 2015 the Company changed the legal name from Clarice to Globant India Private Limited ("Globant India").

The aggregate purchase price under the Stock Purchase Agreement ("SPA") amounted to 20,184, which included certain earn out payments agreed with the sellers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Based on the targets achieved by Globant India for the period between January 1, 2018 and December 31, 2018, the Company paid on March 14, 2019, 3,135.

Based on the targets achieved by Globant India for the period between January 1, 2019 and December 31, 2019, the Company paid on June 22, 2020, 1,585.

On April 5, 2019, the Company issued 7,654 common shares for an amount of 400.

On June 22, 2020 the Company paid the aggregate consideration of 1,580. As of December 31, 2020 the consideration was fully settled.

26.2 Acquisition of Ratio

On February 28, 2017, Globant, LLC acquired 100% of shares of Ratio Cypress, LLC ("Ratio"), a limited liability company organized and existing under the laws of the State of Washington, United States. Ratio offers design, development and quality assurance services necessary to build and manage robust digital products and video streaming solutions for major media companies. Total headcount of Ratio was 45 employees with operations in United States.

The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Ratio.

The aggregate purchase price under the Stock Purchase Agreement ("SPA"), amended on March 2, 2018, amounted to 9,529, including certain earn out payments.

On February 15, 2019, the Company paid the aggregate consideration of 2,019, to the sellers.

On February 18, 2020, the Company paid the aggregate consideration of 903 for targets achievement by Ratio during the period commencing on January 1, 2019 and ending on December 31, 2019.

As of December 31, 2020 the consideration was fully settled.

Acquisition related expenses were not material and were recognized directly as expense.

26.3 Acquisition of PointSource

On June 1, 2017, Globant, LLC acquired 100% of shares of PointSource, LLC ("PointSource"), a limited liability company organized and existing under the laws of the State of Florida, United States. PointSource offers digital solutions to its customers which include design, digital strategy, development and marketing services. Total headcount of PointSource was 97 employees with operations in United States.

The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of PointSource.

The aggregate purchase price under the Stock Purchase Agreement ("SPA") amounted to 28,629.

In May, 2018, the Company signed an amendment to the SPA, pursuant to which a new fixed-payment was established, in replacement of previous payment subject to targets achievements. As of December 31, 2018, gain arising from the change in the fair value of the liability amounted to 5,506 and it was recognized in the line of Other income and expense, net.

On February 28, 2019, the Company paid the aggregate consideration of 750 to the sellers.

On February 28, 2020, the Company paid the aggregate consideration of 1,088 to the sellers, related to the target achievements during the period commencing on January 1, 2019 and ending on December 31, 2019.

As of December 31, 2020, the consideration was fully settled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Acquisition related expenses were not material and were recognized directly as expense.

26.4 Acquisition of Small Footprint

On August 20, 2018, Globant España S.A. (sociedad unipersonal) and Globant, LLC signed a pre-closing Asset Purchase Agreement (“APA”) with Small Footprint Inc., a corporation organized and existing under the laws of the State of North Carolina, United States, pursuant to which Globant España acquired 100% of shares of Small Footprint S.R.L., a limited liability company organized and existing under the laws of Romania, and Globant, LLC acquired the assets and properties used or held for use in connection with the business of Small Footprint Inc. Both transactions were treated as a single business combination according to IFRS 3. The closing date took place on October 15, 2018, which is the date the Company acquired control over Small Footprint.

The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Small Footprint.

The aggregate purchase price under the APA amounted to 7,397. Such purchase price may be subject to adjustments based on the future performance of Small Footprint and is payable to the seller as follows:

First earn-out payment: On March 1, 2019, the Company paid the aggregate consideration of 3,066 to the sellers.

Second earn-out payment: On February 13, 2020, the Company paid the aggregate consideration of 2,140 to the sellers given the achievement of billable headcount target during the year 2019 and such amount was recognized as remuneration expense.

Third earn-out payment: Not later than February 15, 2021, the amount of 1,610 considering the billable headcount target achievement by Small Footprint during the period commencing on January 1, 2020 and ending on December 31, 2020 which was identified as an arrangement that includes remuneration of former owners of the acquiree for future services and consequently, it was excluded from the business combination and have been recognized in expense during the required service period. On February 19, 2021, the Company paid 1,491 to the sellers related to the achievement of billable headcount during 2020.

As of December 31, 2021, there were no outstanding amounts.

Acquisition related expenses were not material and were recognized directly as expense for each period.

26.5 Acquisition of Avanxo

On January 17, 2019, the Company entered into a Share Purchase Agreement (the “Purchase Agreement”) with the shareholders of Avanxo (Bermuda) Limited (“Avanxo”), pursuant to which the Company agreed to purchase all of Avanxo’s share capital subject to the terms and conditions set forth in the Purchase Agreement. Avanxo is a cloud consulting and implementation company headquartered in Bermuda, with operations in Brazil, Mexico, Colombia, Peru, Argentina and the United States. The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Avanxo.

The Purchase Agreement contains customary representations, warranties, covenants, indemnities and conditions to closing, including non-objection to the Acquisition by the Colombian antitrust authority (Superintendencia de Industria y Comercio), which was received in January, 2019. The transaction closed on February 1, 2019 (acquisition date).

Under the terms of the Purchase Agreement, the total consideration payable by the Company to Avanxo’s shareholders, assuming a debt-free and cash-free balance sheet, is 44,460. Such purchase price may be subject to a working capital adjustment, reduction for uncollected accounts receivables and the amounts of the Earn-Out Payments (as defined below) that become due and payable.

- **Up-front payment:** On February 1, 2019, the Company paid an aggregate consideration of 40,939 to the seller. The working capital and the minimum cash adjustments amounted to 1,205 and were paid in May, 2019.
- **Earn-out payments:** the total amount of the earn-out payments was 7,618 and will be payable in two installments, at the end of each of the years ending December 31, 2019 and 2020, and is subject to upwards or downwards adjustment based on Avanxo’s achievement of specified revenue, gross margin and operating margin targets for each of the years

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

ending December 31, 2019 and 2020 (the "Earn Out Payments") that apply only to certain sellers. Of total amount of the earn-out payments, 2,318 was considered part of the purchase price and 5,300 was identified as an arrangement that includes remuneration of former owners of the acquiree for future services and consequently, it was excluded from the business combination and will be recognized in expense during the required service period.

As of March 24, 2020, the Company paid 1,159 related to the target achievements during the period commencing January 1, 2019 and ending on December 31, 2019.

As of March 29, 2021, the Company paid 1,153, related to the target achievements during the period commencing January 1, 2020 and ending on December 31, 2020.

At the Company's sole option, the Company will be entitled to pay a portion of the Total Consideration through the issuance and delivery of common shares, as follows: (i) up to 865 of the amount payable on the closing of the Acquisition and (ii) at the time of payment of any Earn Out Payments, up to 25% of such Earn Out Payment. The number of common shares that may be issued and delivered to Avanzo's selling shareholders will be determined based on the volume weighted average trading price for the 60 calendar day period prior to closing of each share subscription. Common shares issued pursuant to the exercise of this option will be subject to a 12-month lock-up period. These common shares are expected to be issued in reliance on the exemption from registration provided by Regulation S under the Securities Act of 1933, as amended. On February 1 and February 20, 2019, the Company issued 14,778 common shares for a total amount of 845; and, on April 20, 2020 and May 7, 2020, the Company issued 6,346 and 2,730 common shares, respectively, for a total amount of 978 as part of this subscription agreement (note 30.1).

As of December 31, 2021, the consideration was fully settled.

The fair value of the consideration transferred for Avanzo acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	42,144
Contingent consideration	2,158 (a)
Total consideration	44,302

(a) As of December 31, 2021 the consideration was fully settled. As of December 31, 2020 included 1,145 as Other financial liabilities current.

Acquisition related expenses were not material and were recognized directly as expensed.

26.6 Acquisition of Belatrix

On August 9, 2019, Globant S.A. (the "Company"), through certain of its wholly-owned subsidiaries, entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equityholders of Belatrix Global Corporation S.A., a Spanish stock company ("Belatrix"), pursuant to which the Company purchased all of the outstanding equity interests in Belatrix and its subsidiaries (the "Acquisition"). The transaction was simultaneously signed and closed. Belatrix is a software and applications development company with operations in Argentina, Peru, Colombia and the United States. The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Belatrix.

Upon the closing of the Acquisition, the Company paid 61,468 in cash to the sellers and, pursuant to the terms of the Purchase Agreement, the sellers subscribed for 5,000 of the Company's common shares, which were valued based on the volume weighted average trading price of the Company's common shares during the 60-day period until two days prior to the closing date. A portion of the upfront cash consideration is being held in escrow for potential adjustments related to working capital, accounts receivable, minimum cash and other matters. An additional amount of 3,000 is payable to the sellers by October 31, 2020, subject to Belatrix's achievement of specified revenue targets for the period from August 1, 2019 through July 31, 2020, and it is subject to upwards adjustment based on overachievement of such targets. Of total amount of the earn-out payments, 2,091 was considered part of the purchase price and 909 was identified as an arrangement that includes remuneration of former

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

owners of the acquiree for future services and consequently, it was excluded from the business combination and will be recognized in expense during the required service period.

During 2020, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair amounted to 3,633 and is disclosed as Other income and expense, net as of December 31, 2020.

On October 16, 2020, the Company paid 6,305 related to the achievements during the period commencing on August 1, 2019 and ending on July 31, 2020.

As of December 31, 2020, the consideration was fully settled.

The fair value of the consideration transferred for Belatrix acquisition at the acquisition date was calculated as follows:

	Purchase price	Amount
Down payment		61,468
Contingent consideration		4,165 (a)
Total consideration		65,633

(a) As of December 31, 2020 the consideration was fully settled.

Acquisition related expenses were not material and were recognized directly as expense.

26.7 Acquisition of BI Live

On October 16, 2019, Globant S.A. (the "Company"), through its subsidiary Sistemas Globales S.A., entered into an Purchase Agreement with BI Live S.R.L., an Argentine company, pursuant to which the Company purchased certain assets and rights of BI Live (the "Acquisition"). The transaction closed on November 11, 2019. The purpose of the acquisition is related to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of BI Live.

Upon the closing of the acquisition, the Company paid 366 in cash to the sellers. An additional amount of up to 3,000 is payable to the sellers by February 21, 2021, 2022 and 2023, subject to BI Live's achievement of specified growth and operating margin targets for the years 2020, 2021 and 2022, and it is subject to adjustment based on the achievement of such targets. The fair value of the contingent payment is 535 as of December 31, 2020. The primarily reason for the purchase is to expand to SAP software consulting and innovation services.

On February 26, 2021, the Company paid the aggregate consideration of 503 to the sellers related to the target achievements during the period commencing January 1, 2020 and ending on December 31, 2020.

As of March 31, 2021, the Company signed an amendment of the agreement with the sellers of BI Live, pursuant to which the remaining payments were modified and agreed upon fixed payments in replacement of the previous contingent considerations. As a result of the amendment the Company recognized a loss of 372 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration transfer for BI Live acquisition at the acquisition date was calculated as follows:

	Purchase price	Amount
Down payment		366
Contingent consideration		512 (a)
Total consideration		878

(a) As of December 31, 2021 and 2020 included 210 and 138 as Other financial liabilities current, respectively, and 202 and 397 as Other financial liabilities non-current, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

26.8 Acquisition of Grupo Assa

On July 31 2020, Globant S.A., through certain of its wholly-owned subsidiaries, entered into an Equity Purchase Agreement (the “Purchase Agreement”) with the equityholders of Grupo ASSA Worldwide S.A., a Spanish stock company (Sociedad Anónima) and certain of its affiliated entities (collectively, “Grupo ASSA”), pursuant to which the Company agreed to purchase all of the outstanding equity interests in Grupo ASSA (the “Acquisition”). The transaction was simultaneously signed and closed. Grupo ASSA is a digital business consulting company with operations in Latin America, Europe, and the United States.

As consideration for the equity interests of Grupo ASSA, the Company agreed to pay:

- (i) 45,000 on the closing date subject to purchase price adjustments related to working capital, accounts receivable and other matters (the “Closing Payment”)
- (ii) 17,000 on the 24th month anniversary of the closing date (the “Deferred Payment”)
- (iii) an additional amount of 12,500 subject to upwards or downwards adjustment based on Grupo ASSA's achievement of specified revenue and gross margin targets for the period from August 1, 2020 through December 31, 2020, no later than March 31, 2021.

Pursuant to the terms of the transaction, 42,000 of the Closing Payment, minus the difference between the Estimated Cash at Closing and the Cash required, as defined in the share purchase agreement, which amounted to a total of 25,156, was paid in cash, and the sellers agreed to subscribe for up to 20,000 of the Company's common shares as follows:

- (i) 3,618 from the Closing Payment on the closing date (the “Tranche 1 Shares”)
- (ii) 17,000 from the Deferred Payment, subject to adjustment for contingencies, on the 24th month anniversary of the closing date (the “Tranche 2 Shares”); provided that the issuance of a portion of the Tranche 2 Shares may be deferred for an additional 12-month period, to cover for certain contingencies, until the 36th month anniversary of the closing date. All subscribed shares shall be issued at a subscription price per share based on the volume weighted average trading price of the Company's common shares during the 60-day period prior to the applicable date of issuance.

As of December 31, 2020, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the non-achievement of targets established by the Share Purchase Agreement. Gain arising from the change in fair amounted to 1,202 and is disclosed as Other income and expense, net as of December 31, 2020.

As of March 31, 2021, the Company paid 11,289, related to the target achievements during the period commencing August 1, 2020 and ending on December 31, 2020.

The fair value of the consideration for Grupo ASSA acquisition at the acquisition date was calculated as follows:

	Purchase price	Amount
Down payment		28,774
Working capital adjustment		(2,493)
Contingent consideration		12,283
Installment payment		16,131
Total consideration		54,695

(a) As of December 31, 2021 included 13,865, as Other financial liabilities current, net of the indemnification asset as explained in note 26.22. As of December 31, 2020 included 11,218, the net of the contingent consideration and its remeasurement plus interest accrued, as Other financial liabilities current, and 13,343 as Other financial liabilities non-current (installment payment plus interest accrued net of the indemnification asset as explained in note 26.21).

Acquisition related expenses were not material and were recognized directly as expense.

26.9 Acquisition of Xappia

On October 21, 2020, Globant S.A. (the “Company”), through certain of its wholly-owned subsidiaries, entered into an Equity Purchase Agreement with the equity holders of Xappia S.R.L., an Argentine company and Xappia SpA, a Chilean company

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

("Xappia Argentina" and "Xappia Chile"), pursuant to which the Company agreed to purchase all of the outstanding equity interests in Xappia Argentina and Xappia Chile. On the same date, the Company through one of its subsidiaries, Globant Brasil Consultoria Ltda., entered into a Purchase Agreement with the equity holder of Xappia Brasil Servicos de Assessoria Empresarial LTDA. ("Xappia Brazil"), a Brazilian company, pursuant to which the Company purchased certain rights title and interest of Xappia Brasil. The Share Purchase Agreement was signed on October 30, 2020 and the transaction closed on November 13, 2020. The purpose of the purchase was to increase Salesforce delivery capabilities to our South American clients.

As consideration for the equity interest of Xappia Argentina and Xappia Chile and asset acquisition of Xappia Brazil, the Company agreed to pay:

- (i) 3,500 on the closing date subject to any deduction or withholding detailed in the agreement ("the Closing Cash Payment");
- (ii) 3,500 less any deduction or withholding as provided in the agreement that should be paid as follows: (1) an amount of 1,750 will be paid through the issuance of common shares of the Company to the sellers on the fourth (4) month anniversary of the Closing (the "G-Shares Tranche 1"), (2) an amount of 750 will be paid through the issuance of common shares of the Company to the sellers, on the twelfth (12) month anniversary of the Closing (the "G-Shares Tranche 2"), (3) an amount of 1,000 will be paid through the issuance of common shares of the Company to the sellers on the thirtieth (30) month anniversary of the Closing (the "G-Shares Tranche 3"). All subscribed shares shall be issued at a subscription price per share based on the volume weighted average trading price of the Company's common shares during the 60-day period prior to the applicable date of issuance;
- (iii) An additional amount of up to 3,000 is payable to the sellers by June 30, 2021 and 2022, subject to Xappia Argentina, Xappia Chile and Xappia Brazil's achievement of specified growth and operating margin targets for the years 2020 and 2021, and it is subject to adjustment based on the achievement of such targets.

On June 29, 2021, the Company paid the aggregate consideration of 2,410 to the sellers related to the target achievements during the period commencing January 1, 2020 and ending on December 31, 2020.

As of December 31, 2021, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair amounted to 1,025 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration for Xappia acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	4,136
Working capital adjustment	(149)
Contingent consideration	3,868 (a)
Installment payment	3,402
Total consideration	11,257

(a) As of December 31, 2021 and 2020 included 2,478 and 4,761 as Other financial liabilities current, respectively, and 966 and 2,382 as Other financial liabilities non-current, respectively.

Acquisition related expenses were not material and were recognized directly as expense.

26.10 Acquisition of Giant Monkey Robot

On November 9, 2020, Globant S.A (the "Company"), through its subsidiary Globant España S.A, entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Giant Monkey Robot, Inc., an American stock company, pursuant to which the Company purchased all of the outstanding interests in Giant Monkey Robot Inc. and its only subsidiary, Giant Monkey Robot SpA ("GMR Chile"), a Chilean stock company. The transaction was simultaneously signed and closed. Giant Monkey Robot is mainly a game developing Company, experts in complex technology solutions and experienced in supporting an maintaining live operation games for several platforms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

As consideration for the equity interest of Giant Monkey Robot, the Company agreed to pay:

- i) 4,000 on the closing date plus or minus any adjustments, deductions or withholding detailed in the agreement ("the Closing Cash Payment");
- ii) 1,123 were paid through the issuance of common shares of the Company to the sellers at closing date. All subscribed shares were issued at a subscription price per share based on the volume weighted average trading price of the Company's common shares during the 60-day period prior to the applicable date of issuance;
- (iii) An additional amount of up to 4,500 is payable to the sellers by June 30, 2021 and 2022, subject to GMR Chile's achievement of specified growth target for the years 2020 and 2021, and it is subject to adjustment based on the achievement of such targets. Pursuant to the terms of the transaction, 4,248 was paid in cash on November 9, 2020.

On June 30, 2021, the Company paid the aggregate consideration of 2,547 to the sellers related to the target achievements during the period commencing January 1, 2020 and ending on December 31, 2020.

As of December 31, 2021, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair amount to 1,407 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration for Giant Monkey Robot acquisition at the acquisition date was calculated as follows:

	Purchase price	Amount
Down payment		5,370
Contingent consideration		4,374 (a)
Total consideration		9,744

(a) As of December 31, 2021 and 2020 included 3,343 and 2,467 as Other financial liabilities current, respectively, and as of December 31, 2020, 1,924 as Other financial liabilities non-current.

Acquisition related expenses were not material and were recognized directly as expense.

26.11 Acquisition of BlueCap Management Consulting

On December 18, 2020, Globant S.A. (the "Company"), through certain of its wholly-owned subsidiaries, entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equityholder of BlueCap Management Consulting S.L., a Spanish limited liability company (sociedad limitada) ("BlueCap"), pursuant to which the Company purchased all of the outstanding equity interests in BlueCap (the "Acquisition"). The transaction was simultaneously signed and closed. BlueCap provides leading financial institutions consulting services primarily related to strategic management of risk, capital and value.

Upon the closing of the Acquisition, the Company paid:

- (i) 43,200 euros paid in cash (plus/minus the shortfall or excess in BlueCap's estimated cash at December 31, 2020 versus minimum required cash, as defined in the Purchase Agreement at such date);
- (ii) 28,800 euros were paid through the issuance of common shares of the Company to the seller. The shares issued at closing were valued based on the volume weighted average trading price of the Company's common shares during the 60-trading-day period ended 10 days prior to the closing date;
- (iii) 14,000 euros less any working capital, accounts receivables and other matters adjustments, sett-off or deductions as provided in the Purchase Agreement no later than March 31, 2022;
- (iv) 8,400 euros less any working capital, accounts receivables and other matters adjustments, sett-off or deductions as provided in the Purchase Agreement no later than March 31, 2023;
- (v) 5,600 euros less any working capital, accounts receivables and other matters adjustments, sett-off or deductions as provided in the Purchase Agreement no later than August 31, 2024;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

(vi) Additional amounts may be payable to the seller by March 31, 2022 and March 31, 2023 of up to 10,000 euros on each such date, subject to BlueCap's achievement of specified revenue and operating margin targets for the period from January 1, 2021 through December 31, 2021 (in the case of the first payment) and the period from January 1, 2022 through December 31, 2022 (in the case of the second payment). Each such contingent payment is subject to upwards adjustment based on overachievement of the financial targets and to deduction for seller-indemnified losses in accordance with the Purchase Agreement.

As of December 31, 2021, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair value amounted to 1,226 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration for BlueCap acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	93,951
Contingent consideration	22,557 (a)
Installment payment	33,036
Total consideration	149,544

(a) As of December 31, 2021 included 28,203 and 25,341 as Other financial liabilities current and non-current, respectively. As of December 31, 2020, included 55,593 as Other financial liabilities non-current.

Acquisition related expenses were not material and were recognized directly as expense.

26.12 Acquisition of Cloudshiftgroup Limited

On February 28 2021, Globant S.A., through certain of its wholly-owned subsidiaries, entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Cloudshiftgroup Limited ("Cloudshift"), a British stock company, pursuant to which the Company agreed to purchase all of the outstanding equity interests in Cloudshift (the "Acquisition"). The transaction was simultaneously signed and closed. Cloudshift is a Salesforce platinum partner which provides Salesforce advisory and implementation services in the United Kingdom.

As consideration for the equity interests of Cloudshift, the Company agreed to pay (amounts in thousands of pounds sterling):

- i. 23,346 pounds sterling on the closing date (the "Closing Payment");
- ii. 666 pounds sterling within 10 days of receipt, related to acquired invoices pending to collect from Edwardian London Management Services Limited, detailed as the Delayed Debtor Payment from Edwardian London Management Services Limited in the agreement;
- iii. 614 pounds sterling within 10 business days of written demand, related to the options tax relief, generated by the exercised options before the acquisition, to be utilized as soon as possible; detailed as the Option Tax Consideration in the Purchase Agreement;
- iv. 260 pounds sterling after receiving confirmation from Her Majesty's Revenue and Customs (HMRC) about the Delayed Valuation Consideration detailed in the agreement; and
- v. an additional amount of 11,500 pounds sterling is payable to the sellers by February 2022 and 2023, subject to upwards or downwards adjustment based on Cloudshift's achievement of specified revenue and gross margin targets, out of which 1,155 will be recognized as remuneration due to the terms of the Purchase Agreement.

On April 30, 2021 and July 9, 2021, the Company paid a total of 922 related to the installment payment.

As of December 31, 2021, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair value amounted to 460 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration transferred for the Acquisition at the acquisition date was calculated as follows:

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Purchase price	Amount
Down payment	32,551
Contingent consideration	14,236
Installment payment	2,096 ^(a)
Total consideration	48,883

(a) As of December 31, 2021, included 8,594 and 7,199 as Other financial liabilities current and non-current, respectively. Acquisition related expenses were not material and were recognized directly as expense for each period.

26.13 Acquisition of Hybrido Worldwide

On May 11, 2021, the Company through its subsidiary Software Product Creation, S.L., entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Hybrido Worldwide, S.L. ("Habitant"), a Spanish limited liability corporation, pursuant to which the Company purchased all of the outstanding equity interests in Hybrido Worldwide, S.L. and its subsidiary, Pixel Division, S.L., a Spanish limited liability corporation. Habitant specializes in providing consultancy services on digital marketing, strategy and digital sales for its clients.

As consideration for the equity interests of Hybrido Worldwide, S.L., the Company agreed to pay (amounts in thousands of Euro):

- i. 8,820 euros on the closing date subject to any adjustments or withholding detailed in the agreement (the "Closing Cash Payment");
- ii. 3,780 euros subject to any adjustments, set off, deductions or withholding detailed in the agreement will be paid through the issuance of common shares of the Company to the sellers at the price per share equal to USD 214.69. The common shares shall be issued by Globant S.A. and subscribed by the sellers within the following calendar: (a) 1,780 euros on the closing date; (b) 1,000 euros on March 31, 2024; and (c) 1,000 euros on December 31, 2025; the last two being recognized on the closing date as Equity settled agreement in the statement of changes in equity, since the amount of the common shares to be issued is already settle in the subscription agreement.
- iii. 2,700 euros subject to upwards or downwards adjustment based on Hybrido Worldwide's (on a consolidated basis with its subsidiary) achievement of both revenue and operating margin targets for the period from January 1, 2021 through December 31, 2021, no later than March 31, 2022;
- iv. 2,700 euros subject to upwards or downwards adjustment based on Hybrido Worldwide's (on a consolidated basis with its subsidiary) achievement of both revenue and operating margin targets for the period from January 1, 2022 through December 31, 2022, no later than March 31, 2023.

On September 30, 2021, the Company paid 389, related to the working capital adjustment.

As of December 31, 2021, the Company remeasured the fair value of the contingent consideration related to the earn-outs, considering the over-achievement of targets established by the Share Purchase Agreement. Loss arising from the change in fair amounted to 204 and is disclosed as Other income and expense, net as of December 31, 2021.

The fair value of the consideration transferred for the Acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	12,853
Working capital adjustment	404
Contingent consideration	6,838
Installment payment	2,152 ^(a)
Total consideration	22,247

(a) As of December 31, 2021, included as 3,365 and 3,278 as Other financial liabilities current and non-current, respectively.

Acquisition related expenses were not material and were recognized directly as expense for each period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

26.14 Acquisition of Walmeric Soluciones, S.L.

On July 8, 2021 Globant, S.A (the "Company"), through its subsidiary Software Product Creation, S.L., entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Walmeric Soluciones, S.L. a Spanish limited liability company, pursuant to which the Company purchased eighty per cent (80%) of the share capital of Walmeric Soluciones, S.L. The Share Purchase Agreement was simultaneously signed and closed on July 8, 2021. Walmeric is a firm specialized in developing marketing automation technology combining lead management, online marketing and sales enablement, it offers a multi-channel marketing platform focused on lead to revenue management with strong B2B2C expertise.

As consideration of the equity interest of Walmeric Soluciones, S.L. the Company agreed to pay:

- i. 36,000 euros plus the Estimated Net Cash at the closing date amounting to 3,525 euros in cash by irrevocable wire transfer in immediately available funds to the to the Sellers' bank accounts;
- ii. 5,600 euros subject to any adjustments, set offs, deductions, or withholdings as provided in the agreement, that should be paid as follows: (a) an amount of 2,000 will be paid through the issuance of common shares of the Company to the Sellers on the Closing Date (the "First G-Shares Subscription Date"); (b) an amount of 1,000 euros will be paid through the issuance of common shares of the Company to the Sellers on the second anniversary of the Closing Date (the "Second G-Shares Subscription Date"); (c) an amount of 2,000 euros will be paid through the issuance of common shares of the Company to the Sellers on the third anniversary of the Closing Date (the "Third G-Shares Subscription Date") and (d) an amount of 600 euros will be paid through the issuance of common shares of the Company to the Sellers on December 30, 2025 (the "Fourth G-Shares Subscription Date").

An amount of 3,600 euros out of the cash for Globant shares as set forth in the "Escrow Amount" was deposited by Software Product Creation, S.L. on the date hereof into a bank account of the Notary.

The Company has recognized a non-controlling interest for 2,648 measured at its fair value at the time of the closing date of the transaction for the 20% of the remaining share capital of Walmeric.

The fair value of the consideration transferred for the Acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	53,424
Total consideration	53,424

Acquisition related expenses were not material and were recognized directly as expense for each period.

Call and Put Option Agreement over non-controlling interest

On July 8, 2021 Software Product Creation, S.L. (the "Majority Shareholder") and Globant, S.A., with Internet Business Intelligent Insite, S.L. and Next Generation Communication Services, S.L. (jointly referred to as the "Minority Shareholder") entered into a put and call option agreement over the remaining twenty percent (20%) of Walmeric Soluciones, S.L (the "Option shares"), with the purpose to set out the terms and conditions of: (i) a put option over the Option Shares to be granted by Software Product Creation, S.L. in favor of the Minority Shareholders; and (ii) a call option over the Option Shares to be granted by the Minority Shareholders in favor of Software Product Creation, S.L.

The Minority Shareholders and the Software Product Creation, S.L. shall be entitled to exercise the Yearly Options under the following conditions and within the following calendar:

- i. Subject to and based on the achievement of the 2021 Targets, the 2022 Put Option or the 2022 Call Option may be exercised by the Minority Shareholders or SPC (as the case may be) (i) from 1 March 2022 to 31 March 2022; or (ii) from 1 March 2023 to 31 March 2023; or (iii) from 1 March 2024 to 31 March 2024 (the "2022 Option Exercise Period" and, the relevant Yearly Option, the "2022 Yearly Option");
- ii. Subject to and based on the achievement of the 2022 Targets, the 2023 Put Option or the 2023 Call Option may be exercised by the Minority Shareholders or SPC (as the case may be) (i) from 1 March 2023 to 31 March 2023; or (ii) from 1 March 2024 to 31 March 2024 (the "2023 Option Exercise Period" and, the relevant Yearly Option, the "2023 Yearly Option"); and

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

iii. Subject to and based on the achievement of the 2023 Targets, the 2024 Put Option or the 2024 Call Option may be exercised by the Minority Shareholders or SPC (as the case may be) from 1 March 2024 to 31 March 2024 (the "2024 Option Exercise Period" and, the relevant Yearly Option, the "2024 Yearly Option").

The Parties agree and accept that the total purchase price for the Option Shares in case of exercise of the Yearly Options shall be determined as follow: (i) 2022 Yearly Option Purchase Price for 4,000 euros; (ii) 2023 Yearly Option Purchase Price for 4,000 euros and (iii) 2024 Yearly Option Purchase Price for 4,000 euros; all subject to adjustments based on Walmeric Soluciones, S,L achievement of specific growth and EBITDA (earnings before interest, taxes, depreciation and amortization) targets.

As of the date of the closing the company recognized in equity a put option over non-controlling interest of 16,285 equal to the present value of the amount that could be required to be paid to the counterparty discounted at and interest rate of 0.95%. Changes in the measurement of the gross obligation will be recognized in profit or loss. As of December 31, 2021, the Company has recognized as non-current other financial liabilities the written put option for an amount of 15,423.

26.15 Acquisition of Atix Labs

On September 22, 2021 Globant, S.A (the "Company"), through its subsidiary Globant LLC, Globant España S.A and Software Product Creation, S.L., entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Atix Labs S.R.L, an Argentine company, and Atix Labs LLC, an American company ("Atix Labs"), pursuant to which the Company agreed to purchase all of the outstanding equity interests in Atix Labs. The Share Purchase Agreement was signed on September 24, 2021 and the transaction closed on October 4, 2021. Atix Labs is a professional services company specialized in blockchain.

As consideration of the equity interest of Atix Labs the Company agreed to pay:

- (i) 2,000 less any deductions or withholdings as provided in the Purchase Agreement on the closing ("Closing Cash Payment");
- (ii) 1,700 less any deductions or withholdings as provided in the Purchase Agreement, that shall be paid to the Sellers as follows: (a) an amount of 850 will be paid through the issuance of common shares of the Company to the Sellers on the tenth month anniversary of the Closing Date (the "G-Shares Tranche 1") and (b) an amount of 850 will be paid through the issuance of common shares of the Company to the Sellers on the twenty-four month anniversary of the Closing Date (the "G-Shares Tranche 2");
- (iii) 550 less any deductions or withholdings as provided in the Purchase Agreement, shall be payable to the Sellers no later than March 31, 2022 subject to the achievement by the Atix Division of both of the revenue and operating margin targets for the period from October 1, 2021 through December 31,2021.
- (iv) 1,300 less any deductions or withholdings as provided in the Purchase Agreement, shall be payable to the Sellers no later than March 31, 2023 subject to the achievement by the Atix Division of both of the revenue and operating margin targets for the period from January 1, 2022 through December 31,2022.

The fair value of the consideration transferred for the Acquisition at the acquisition date was calculated as follows:

	Purchase price	Amount
Down payment		2,000
Working capital adjustment		67
Contingent consideration		2,090
Installment payments		1,639 (a)
Total consideration		5,796

(a) As of December 31, 2021, included as 1,503 and 2,316 as Other financial liabilities current and non-current, respectively.

Acquisition related expenses were not material and were recognized directly as expense for each period.

26.16 Acquisition of Navint Group

On November 14, 2021 Globant, S.A (the "Company"), through its subsidiary Globant España S.A entered into an Equity Purchase Agreement (the "Purchase Agreement") with the equity holders of Navint Partners, LLC, an American company and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

certain of its affiliated entities (collectively "Navint Group"), pursuant to which the Company agreed to purchase all of the outstanding equity interest in Group Navint. The Share Purchase Agreement was signed on November 14, 2021 and the transaction transaction closed on November 30, 2021. The purpose of the purchase was to reinforce and expand Salesforce's services.

As consideration of the equity interest of Navint Group the Company agreed to pay:

- (i) 62,596 plus or minus any adjustments, escrows, deductions or withholdings as provided in the Purchase Agreement on the closing ("Closing Cash Payment");
- (ii) 3,984 plus or minus any adjustments, escrows, deductions or withholdings as provided in the Purchase Agreement, that shall be paid through the issuance of common shares of the Company to the Sellers on the Closing Date (the "G-Shares");
- (iii) 2,000 less any deductions, set off or withholdings as provided in the Purchase Agreement, shall be payable to the Sellers no later than March 31, 2022 subject to the achievement by the Navint Group of both of the revenue and gross margin targets for the period from November 1, 2021 through December 31,2021;
- (iv) 7,210 less any deductions, set off or withholdings as provided in the Purchase Agreement, shall be payable to the Sellers no later than March 31, 2023 subject to the achievement by the Navint Group of both of the revenue and gross margin targets for the period from January 1, 2022 through December 31,2022.
- (v) 7,210 less any deductions, set off or withholdings as provided in the Purchase Agreement, shall be payable to the Sellers no later than March 31, 2024 subject to the achievement by the Navint Group of both of the revenue and gross margin targets for the period from January 1, 2023 through December 31,2023.

As of the date of issuance of these consolidated financial statements, due to the recent of this acquisition, the accounting for this acquisition is incomplete; hence, the Company has not included in this footnote the following disclosures as required by such standard, as follows:

- Fair value of the total consideration transferred since the Company has not completed the fair value analysis of the consideration transferred as of the date of issuance of these financial statements.
- The amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed, the total amount of goodwill (including a qualitative description of the factors that make up the goodwill recognized and the amount of goodwill that will be deducted for tax purposes) and other intangibles, as applicable.
- The gross contractual amounts of the acquired receivables, and the best estimate at the acquisition date of the contractual cash flows not expected to be collected. For each contingent liability to be recognized, if any, an estimate of its financial effect, an indication of the uncertainties relating to the amount or timing of any outflow and the possibility of any reimbursement, and the reasons why the liability cannot be measured reliably, if applicable.
- The amount of revenues and profit or loss of the acquired subsidiary since the acquisition date, and the amount of revenues and profit or loss of the combined entity as if the acquisition has been made at the beginning of the reporting period, since the acquired subsidiary did not have available financial information prepared under IFRS at the acquisition date. The preparation of this information under IFRS has not been completed as of the date of issuance of these financial statements.

The preliminary fair value of the consideration transferred for the Acquisition at the acquisition date was calculated as follows:

Purchase price	Amount
Down payment	66,900
Working capital adjustment	(1,727)
Installment payments	1,727
Contingent consideration	12,207 (a)
Total consideration	79,107

(a) As of December 31, 2021, included as 12,207 as Other financial liabilities non-current.

Acquisition related expenses were not material and were recognized directly as expense for each period.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

26.17 Outstanding balances

Outstanding balances of other financial liabilities related to the above mentioned acquisitions as of December 31, 2021 and 2020 are as follows:

	As of December 31, 2021		As of December 31, 2020	
	Other financial liabilities - current	Other financial liabilities - non current	Other financial liabilities - current	Other financial liabilities - non current
Avanxo	—	—	1,145	—
BI Live	210	202	138	397
Grupo ASSA	13,865	—	11,218	13,343
Xappia	2,478	966	4,761	2,382
Giant Monkey Robot	3,343	—	2,467	1,924
Bluecap	28,203	25,341	—	55,593
Cloudshift	8,594	7,199	—	—
Hybrido Worldwide	3,365	3,278	—	—
Put option on minority interest of Walmeric	—	15,423	—	—
Atix Labs	1,503	2,316	—	—
Navint	—	12,207	—	—
Total	61,561	66,932	19,729	73,639

The significant inputs are disclosed in note 29.9.1

26.18 Purchase Price Allocation

As of December 31, 2021 and 2020, the fair values of the assets acquired, liabilities assumed and goodwill, of CloudShiftGroup Limited, Hybrido Worldwide S.L., Walmeric Soluciones S.L., Atix Labs and the preliminary fair values of the assets acquired, liabilities assumed and goodwill of Navint Group determined at the date of acquisition in the business combinations are as follows:

	2021 acquisitions				
	Cloudshift	Habitant	Walmeric	Atix Labs	Navint
Current Assets					
Cash and cash equivalents	6,373	713	6,913	228	2,377
Investments	—	—	113	—	—
Trade receivables	3,803	4,719	3,963	474	4,760
Other receivables	90	322	108	256	341
Non current assets					
Other receivables	—	48	44	—	516
Other financial assets	—	—	2	—	—
Property and equipment	337	634	57	21	730
Intangibles ⁽¹⁾	299	1,907	8,824	495	2,679
Deferred tax	922	—	—	—	—
Goodwill ⁽²⁾	39,037	19,206	43,903	4,954	72,413

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Current liabilities

Trade and other payables	(845)	(2,849)	(2,540)	(238)	(1,252)
Tax liabilities	(486)	(432)	(734)	(204)	(256)
Payroll and social security	(235)	(499)	(1,027)	(133)	(2,531)
Other liabilities	(412)	(1)	—	—	—
Borrowings	—	(176)	(25)	—	—

Non current liabilities

Deferred tax liabilities	—	(434)	(2,103)	(57)	(670)
Borrowings	—	(911)	(1,426)	—	—
Non-controlling interest	—	—	(2,648)	—	—

Total consideration	48,883	22,247	53,424	5,796	79,107
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2020 acquisitions

	Grupo ASSA	Bluecap	Other Acquisitions
Current Assets			
Cash and cash equivalents	3,486	9,944	2,153
Investments	—	6,258	8
Trade receivables	11,228	2,046	2,585
Other receivables	4,046	3,218	454
Indemnification asset	2,970	—	—
Non current assets			
Other receivables	207	—	—
Property and equipment	838	384	243
Intangibles ⁽¹⁾	11,277	34,093	4,931
Right-of-use asset	513	—	—
Deferred tax	1,771	—	37
Goodwill ⁽²⁾	63,682	126,059	14,731
Current liabilities			
Trade and other payables	(4,259)	—	(341)
Tax liabilities	(8,085)	(6,491)	(897)
Payroll and social security	(6,453)	(17,444)	(1,670)
Borrowings	(10,390)	—	—
Non current liabilities			
Deferred tax liabilities	(2,849)	(8,523)	(1,233)
Lease liabilities	(584)	—	—
Borrowings	(3,579)	—	—
Contingencies	(9,124)	—	—
Total consideration	54,695	149,544	21,001

⁽¹⁾ As of December 31, 2021 and 2020, the amount of 11,701 and 42,703 have been allocated to customer relationships, respectively, and 2,402 and 7,598 as other intangibles, respectively.

⁽²⁾ As of December 31, 2021 and 2020, 179,513 and 204,472 , are not deductible for tax purposes, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Goodwill has arisen because the consideration paid for these acquisitions included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of acquired companies. Only the customer contracts and relationships, internally used software and non-compete agreements are recognized as intangible, in the acquisitions of Navint, Atix Labs, Walmeric, Habitant, Cloudshift, Bluecap, GMR, Xappia and Grupo Assa. The other benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The fair values of the receivables acquired do not differ from their gross contractual amount.

Acquisition related expenses were not material and were recognized directly as expense for each period.

26.19 Impact of acquisitions on the results of the Company.

Directors consider these "pro-forma" numbers to represent an approximate measure of the performance of the Company on an annualized basis and to provide a reference point for comparison in future periods.

The net income for the year ended December 31, 2021 includes a gain of 4,717 attributable to the business generated by Cloudshift, Habitant, Walmeric, Atix Labs and Navint. Revenue for the year ended December 31, 2021 includes 29,670 related to the business of those companies.

Had the five business combinations made in 2021, Cloudshift, Habitant, Walmeric, Atix Labs and Navint, been performed on January 1, 2021, the consolidated revenue of the Company would have been 1,336,691 and the net income for the year ended December 31, 2021, would have been 97,032.

26.20 Goodwill

Goodwill is measured as the excess of the cost of an acquisition over the sum of the amounts assigned to net assets acquired less liabilities assumed.

The Company evaluates goodwill for impairment at least annually or more frequently when there is an indication that the cash generating unit ("CGU") may be impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The Company first determines the value of the unit using the market approach. For the purposes of the calculation, the Company considers the value of the shares in the market.

In addition, the Company measures the CGU based on value-in-use calculations, which requires the use of various assumptions including revenue growth, gross margin, terminal growth rate and discount rates. The assumptions considered by the Company as of December 31, 2021 and 2020, were the following: projected cash flows for the following five years for both years, the average growth rate considered was 27.0% and 23.0%, respectively, and the rate used to discount cash flows was 9.6% and 10.10%, respectively. The long-term rate used to extrapolate cash flows beyond the projected period as of December 31, 2021 and 2020, was 4% and , respectively 3%, respectively. The recoverable amount is the higher of an asset's fair value less cost of disposals and value in use.

Very material adverse changes in key assumptions about the businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of recoverable value and could result in an impairment charge. Based upon the Company's evaluation of goodwill, no impairments were recognized during 2021, 2020 and 2019.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

A reconciliation of the goodwill from opening to closing balances is as follows:

	As of December 31,	
	2021	2020
Cost		
Balance at beginning of year	392,760	188,538
Additions related to new acquisitions (note 26.18)	179,513	204,472
Translation	(73)	17
Measurement period adjustment	759	(267)
Balance at end of year	572,959	392,760

26.21 Effects of offsetting on acquisition

As part of the acquisition of Grupo ASSA, the sellers agreed to indemnify the Company for the outcome of certain contingencies. As a result, the Company has recognized an indemnification asset for a total amount of 2,883 and 2,970, as of December 31, 2021 and 2020, respectively. The consideration for this acquisition includes 16,748 and 16,313 (17,000 measured at present value) as of December 31, 2021 and 2020, respectively, which are subject to adjustments, deductions and withholdings related to the indemnified contingencies. Consequently, the Company has off-set the indemnification asset against the amount payable to the sellers.

	As of December 31, 2021		
	Gross amount	Gross amount set off in the balance sheet	Net amount presented in the balance sheet
Other financial liabilities	16,748	2,883	13,865

	As of December 31, 2020		
	Gross amount	Gross amount set off in the balance sheet	Net amount presented in the balance sheet
Other financial liabilities	16,313	2,970	13,343

NOTE 27 – SEGMENT INFORMATION

Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker (“CODM”) in deciding on how to allocate resources and in assessing performance. The Company’s CODM is considered to be the Company’s chief executive officer (“CEO”). The CEO reviews operating profit presented on an entity level basis for purposes of making operating decisions and assessing financial performance. Therefore, the Company has determined that it operates in a single operating and reportable segment.

The Company provides services related to application development, testing, infrastructure management and application maintenance.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following table summarizes revenues by geography, based on the customers' location:

	For the year ended December 31,		
	2021	2020	2019
North America			
United States of America	803,934	558,528	483,228
Canada	26,970	15,622	13,125
<i>Subtotal North America</i>	<u>830,904</u>	<u>574,150</u>	<u>496,353</u>
Europe			
Spain	94,459	32,977	26,134
United Kingdom	27,156	17,100	15,672
Belgium	8,705	2,924	—
Switzerland	5,710	1,785	—
France	2,600	1,224	267
Luxembourg	4,777	1,292	937
Germany	1,424	939	437
Netherlands	3,604	1,461	2,723
Others	2,867	2,078	614
<i>Subtotal Europe</i>	<u>151,302</u>	<u>61,780</u>	<u>46,784</u>
Asia			
India	10,442	2,670	2,157
Indonesia	—	—	1,157
Japan	8,514	5,338	1,062
United Arab Emirates	401	248	277
Others	1,558	93	—
<i>Subtotal Asia</i>	<u>20,915</u>	<u>8,349</u>	<u>4,653</u>
Latin America and others			
Argentina	87,756	53,667	32,295
Colombia	14,357	13,302	14,355
Chile	86,809	50,707	29,547
Mexico	53,455	25,928	20,623
Perú	15,695	11,648	6,251
Brazil	20,821	11,976	7,964
Panama	744	737	128
Uruguay	755	144	17
Dominican Republic	3,788	869	126
Australia	5,223	287	—
Paraguay	2,823	231	8
Others	1,731	364	221
<i>Subtotal Latin America and others</i>	<u>293,957</u>	<u>169,860</u>	<u>111,535</u>
TOTAL	<u>1,297,078</u>	<u>814,139</u>	<u>659,325</u>

The revenues by geography were determined based on the country where the sale took place.

One single customer accounted for 10.9%, 11.0% and 11.2% of revenues for the years ended December 31, 2021, 2020 and 2019.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following table summarizes non-current assets other than deferred taxes as stated in IFRS 8, paragraph 33.b, by jurisdiction:

	As of December 31,	
	2021	2020
Spain	540,237	396,970
Argentina	165,163	104,929
United States of America	66,701	68,767
United Kingdom	52,185	293
Colombia	50,785	43,237
México	30,445	20,761
India	21,521	11,350
Uruguay	15,546	12,971
Peru	6,883	3,986
Chile	6,660	4,877
Belarus	6,157	—
Luxembourg	4,226	4,226
Brazil	3,783	2,702
Other countries	758	3,692
TOTAL	971,050	678,761

NOTE 28 – LEASES

The Company is obligated under various leases for office spaces and office equipment.

Movements in right-of-use assets and lease liabilities as of December 31, 2021 and 2020 were as follow:

<u>Right-of-use assets</u>	<u>Office spaces</u>	<u>Office equipments</u>	<u>Computers</u>	<u>Total</u>
January 1, 2021	76,374	9,486	4,150	90,010
Additions	46,237	14,972	17,873	79,082
Disposals	(575)	—	—	(575)
Depreciation (note 6)	(17,368)	(2,354)	(4,111)	(23,833)
Foreign currency translation	(103)	—	—	(103)
December 31, 2021	104,565	22,104	17,912	144,581
<u>Lease liabilities</u>				
January 1, 2021				87,598
Additions ⁽¹⁾				74,011
Foreign exchange difference ⁽¹⁾				(4,031)
Foreign currency translation ⁽²⁾				(89)
Interest expense ⁽¹⁾				5,415
Payments ⁽²⁾				(27,201)
Disposals				(1,218)
December 31, 2021				134,485

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Right-of-use assets	Office spaces	Office equipments	Computers	Total
January 1, 2020	51,625	6,642	514	58,781
Additions	41,341	3,388	4,743	49,472
Additions from business combinations (note 26.18)	513	—	—	513
Disposals	(672)	—	(43)	(715)
Depreciation (note 6)	(16,030)	(544)	(1,064)	(17,638)
Translation	(403)	—	—	(403)
December 31, 2020	76,374	9,486	4,150	90,010

Lease liabilities

January 1, 2020	61,363
Additions ⁽¹⁾	49,472
Additions from business combinations (note 26.18)	584
Foreign exchange difference ⁽¹⁾	(1,916)
Foreign currency translation ⁽²⁾	(301)
Interest expense ⁽¹⁾	4,944
Payments ⁽²⁾	(25,141)
Disposals	(895)
Discounts (note 32)	(512)
December 31, 2020	87,598

⁽¹⁾ Non-cash transactions.

⁽²⁾ Cash transactions.

The Company has some lease contracts that have not yet commenced as of December 31, 2021 and 2020. The future lease payments for these lease contracts are disclosed as follows:

As of December 31, 2021	
Year	Amount
2022	141

As of December 31, 2020	
Year	Amount
2021	71
2022	71
2023	71
2024	71
2025	71
2026	71
2027	71
2028	71
2029	71

The outstanding balance of the lease liabilities as of December 31, 2021 and 2020 is as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Lease liabilities	As of December 31,	
	2021	2020
Current	25,917	15,358
Non-current	108,568	72,240
TOTAL	134,485	87,598

The maturity analysis of lease liabilities is presented in note 29.5.

The expense related to short-term and low-value leases was not material.

NOTE 29 – FINANCIAL INSTRUMENTS

29.1 - Categories of financial instruments

	As of December 31, 2021		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	—	—	427,804
Investments			
Mutual funds	27,585	—	—
Commercial Papers	—	4,996	—
Contribution to funds	—	—	1,027
Trade receivables	—	—	300,109
Other assets	—	—	16,438
Other receivables	—	—	5,901
Other financial assets			
Convertible notes	3,875	—	—
Foreign exchange forward contracts	608	150	—
Equity instruments	—	22,088	—
Interest rate SWAP	534	—	—
Others	—	—	35

	As of December 31, 2021		
	FVTPL	FVTOCI	Amortised cost
Financial liabilities			
Trade payables	—	—	69,597
Borrowings	—	—	12,240
Other financial liabilities			
Foreign exchange forward contracts	1,392	106	—
Other financial liabilities related to business combinations	63,886	—	49,184
Put option on minority interest of Walmeric	—	—	15,423
Lease liabilities	—	—	134,485
Other liabilities	—	—	955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	As of December 31, 2020		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	—	—	278,939
Investments			
Mutual funds	19,284	—	—
Contribution to funds	—	—	615
Trade receivables	—	—	201,664
Other assets	—	—	15,100
Other receivables	—	—	6,250
Other financial assets			
Convertible notes	1,166	—	—
Foreign exchange forward contracts	327	165	—
Guarantee payments related to the future lease of a property under construction	—	—	4,553
Equity instruments	—	10,478	—
Others	—	—	35
Financial liabilities			
Trade payables	—	—	40,506
Borrowings	—	—	25,968
Other financial liabilities			
Foreign exchange forward contracts	93	—	—
Other financial liabilities related to business combinations	43,724	—	49,644
Interest rate SWAP	605	132	—
Lease liabilities	—	—	87,598
Other liabilities	—	—	81

29.2 - Market risk

The Company is exposed to a variety of risks: market risk, including the effects of changes in foreign currency exchange rates and interest rates, and liquidity risk.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivative instruments to hedge its exposure to risks, apart from those mentioned in note 29.10 and 29.11.

29.3 - Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

Except for the subsidiaries mentioned in the Note 3.5, the functional currency of the Company and its subsidiaries is the U.S. dollar. In 2021, 75.4% of the Company's revenues are denominated in U.S. dollars. Because the majority of its personnel are located in Latin America, the Company incurs the majority of its operating expenses and capital expenditures in non-U.S. dollar currencies, primarily the Colombian peso, Mexican peso, Chilean peso, Peruvian sol, Uruguayan peso and Brazilian real. Operating expenses are also significantly incurred in Indian Rupee, Great Britain Pound and European Union Euros.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Foreign exchange sensitivity analysis

The Company is mainly exposed to Argentine pesos, Colombian pesos, Indian rupees, European Union euros, Mexican pesos, Sterling pounds and Uruguayan pesos.

The following tables illustrate the Company's sensitivity to increases and decreases in the U.S. dollar against the relevant foreign currency. The following sensitivity analysis includes outstanding foreign currency denominated monetary items at December 31, 2021 and adjusts their translation at the year-end for changes in U.S. dollars against the relevant foreign currency.

Account	Currency	Amount	% Increase	Gain/(loss)		Amount
				Amount	% Decrease	
Net balances	Argentine pesos	12,441	30 %	(2,871)	10 %	1,382
	Colombian pesos	(49,425)	10 %	4,493	10 %	(5,492)
	Indian Rupees	(16,670)	10 %	1,515	10 %	(1,852)
	European Union euros	(61,658)	10 %	5,605	10 %	(6,851)
	Mexican pesos	(12,933)	10 %	1,176	10 %	(1,437)
	Sterling pound	(32,694)	10 %	2,972	10 %	(3,633)
	Uruguayan pesos	(8,962)	10 %	815	10 %	(996)
	Total	(169,901)		13,705		(18,879)

As explained in note 29.10, the subsidiaries in Argentina, Colombia, United States, India, Mexico, Chile and Uruguay entered into foreign exchange forward and future contracts in order to mitigate the risk of fluctuations in the foreign exchange rate and reduce the impact in the financial statements.

The effect in equity of the U.S. dollar fluctuation against the relevant foreign currency as of December 31, 2021, is not material.

Depreciation of the Argentine Peso

During 2021, the Argentine peso experienced a 22.09% devaluation from 84.05 Argentine peso per U.S dollar to 102.62 Argentine peso per U.S dollar.

During 2020, the Argentine peso experienced a 40.58% devaluation from 59.79 Argentine peso per U.S. dollar to 84.05 Argentine peso per U.S. dollar.

29.4 - Interest rate risk management

The Company's exposure to market risk for changes in interest rates relates primarily to its cash and bank balances and its credit facilities. The Company's credit line in the U.S. bear interest at a fixed rate between 1.5% or 1.75% depending on the amount borrowed, as of December 31, 2021 the Company does not maintain debt related to the Amended and Restated Credit Agreement. During the beginning of 2021 the Company chose to discontinue the hedge accounting of the remaining interest rate swap acquired during 2020, since the hedged future cash flows were no longer expected to occur. As of December 31, 2021 and 2020, the Company has recognized a gain of 132 and a loss of 132 included in the line item "Other comprehensive income", respectively, and a net gain of 837 and a net loss of 127 through results of profit and loss, respectively. As of December 31, 2020 the Company recognize a loss of 605 through results of profit and loss as consequence of the discontinuation of the hedge accounting for three of the four swaps. Hedges of interest rate risk on recognized liabilities are accounted for as cash flow hedge.

Interest rate swap liabilities are presented in the line item "Other financial liabilities" within the statements of financial position.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Interest rate swap contracts outstanding as of December 31, 2021 and 2020:

<u>Maturity Date</u>	<u>Notional</u>	<u>Floating rate receivable</u>	<u>Fixed rate payable</u>	<u>Fair value assets / (liabilities)</u>
<u>Instruments for which hedge accounting has been discontinued</u>				
March 11, 2024	15,000	1month LIBOR	0.647 %	70
March 31, 2023	15,000	1month LIBOR	0.511 %	10
March 12, 2024	20,000	1month LIBOR	0.566 %	132
April 30, 2024	25,000	1month LIBOR	0.355 %	322
Fair value as of December 31, 2021				534
<u>Hedge instrument</u>				
April 30, 2024	25,000	1month LIBOR	0.355 %	(132)
Fair value as of December 31, 2020				(132)
<u>Instruments for which hedge accounting has been discontinued</u>				
March 11, 2024	15,000	1month LIBOR	0.647 %	(230)
March 31, 2023	15,000	1month LIBOR	0.511 %	(123)
March 12, 2024	20,000	1month LIBOR	0.566 %	(252)
Fair value as of December 31, 2020				(605)

29.5 – Liquidity risk management

The Company's primary sources of liquidity are cash flows from operating activities and borrowings under credit facilities. See note 21.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flow.

The table below analyzes financial liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	<u>Expected Maturity Date</u>				<u>Total</u>
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Thereafter</u>	
Trade payables	63,210	3,824	2,554	10	69,598
Borrowings	13,320	556	556	884	15,316
Lease liabilities	31,360	31,194	25,522	66,240	154,316
Other financial liabilities ^(*)	48,242	42,024	23,661	—	113,927
TOTAL	156,132	77,598	52,293	67,134	353,157

^(*) The amounts disclosed in the line of other financial liabilities do not include foreign exchange forward contracts, interest rate SWAP and 19,364 related to business combinations payments through subscription agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

29.6 - Concentration of credit risk

The Company derives revenues from clients in the U.S. (approximately 62%) and clients related from diverse industries. For the years ended December 31, 2021, 2020 and 2019, the Company's top five clients accounted for 26.7%, 30.6% and 26.1% of its revenues, respectively. One single customer accounted for 10.9%, 11.0% and 11.2% of revenues for the years ended December 31, 2021, 2020 and 2019. Credit risk from trade receivables is considered to be low because the Company minimize the risk by setting credit limits for its customers, which are mainly large and renowned companies. Cash and cash equivalents and derivative financial instruments are considered to have low credit risk because these assets are held with widely renowned financial institutions (see note 13).

29.7 - Fair value of financial instruments that are not measured at fair value

Except as detailed in the following table, the carrying amounts of financial assets and liabilities included in the consolidated statement of financial position as of December 31, 2021 and 2020, are a reasonable approximation of fair value due to the short time of realization.

	As of December 31, 2021		As of December 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets				
Other receivables				
Guarantee deposits	4,390	4,177	3,091	3,039
Other assets	8,583	7,810	6,954	6,278
Non-current liabilities				
Trade payables	6,387	5,899	5,240	4,735
Borrowings	1,935	1,847	25,061	25,382

29.8 - Fair value measurements recognized in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into a three-level fair value hierarchy as mandated by IFRS 13, as follows:

Level 1 fair value measurements are those derived from quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 fair value measurements are those derived from unobservable inputs for the assets or liabilities.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	As of December 31, 2021			Total
	Level 1	Level 2	Level 3	
Financial assets				
Mutual funds ⁽¹⁾	—	27,585	—	27,585
Commercial Papers	4,996	—	—	4,996
Foreign exchange forward contracts	—	758	—	758
Convertibles notes	—	—	3,875	3,875
Equity instrument	—	—	22,088	22,088
Interest rate SWAP	—	534	—	534
Financial liabilities				
Contingent consideration	—	—	63,886	63,886
Foreign exchange forward contracts	—	1,498	—	1,498

	As of December 31, 2020			Total
	Level 1	Level 2	Level 3	
Financial assets				
Mutual funds ⁽¹⁾	—	19,284	—	19,284
Foreign exchange forward contracts	—	492	—	492
Convertibles notes	—	130	1,036	1,166
Equity instrument	—	—	10,478	10,478
Financial liabilities				
Contingent consideration	—	—	43,724	43,724
Foreign exchange forward contracts	—	93	—	93
Interest rate SWAP	—	737	—	737

⁽¹⁾ Mutual funds are measured at fair value through profit or loss, based on the changes of the fund's net asset value.

There were no transfers of financial assets between Level 1, Level 2 and Level 3 during the period.

The Company has applied the market approach technique in order to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities.

When the inputs required by the market approach are not available, the Company applies the income approach technique. The income approach technique estimates the fair value of an asset or a liability by converting future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

29.9 Level 3

29.9.1 Contingent consideration

As described in note 26.5, the acquisition of Avanzo (Bermuda) Limited ("Avanzo"), included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's gross revenue, gross margin and operating margin.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

As of December 31, 2020, the nominal value of contingent consideration related to Avanzo amounted to 1,159. Based on our estimations as of that date, the potential minimum amounts of all future payments that the Company could be required to make under this agreement were between 185 and 370, respectively. In addition, the actual amounts to be paid under the contingent consideration arrangement may be increased proportionally to the target's achievements and are not subject to any maximum amount. Finally, the fair value of the contingent consideration arrangement of 1,145 as of December 31, 2020, was estimated by discounting to present value using a risk-adjusted discount rate. On March 29, 2021 an amount of 1,153 was paid leaving the contingent consideration fully settled.

As described in note 26.6, the acquisition of Belatrix Global Corporation S.A, included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue. As of December 31, 2020, the Company remeasured the fair value of the contingent consideration related to Belatrix described above. As of December 31, 2020, loss arising from the change in fair value of the contingent consideration amounted to 3,633 and is included as Other income and expenses, net.

As of December 31, 2019, the nominal value of contingent consideration related to Belatrix amounted to 4,097. Based on our estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement were between 4,192 and 4,097, respectively. In addition, the actual amounts to be paid under the contingent consideration arrangement, may be increased proportionally to the target's achievements and are not subject to any maximum amount. Finally, the fair value of the contingent consideration arrangement of 4,221 as of December 31, 2019 was estimated by discounting to present value using a risk-adjusted discount rate. On October 16, 2020, the Company paid 7,795 leaving the contingent consideration fully settled.

As described in note 26.7, the acquisition of BI Live included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue, revenue growth and operating margin.

As of December 31, 2020, the nominal value of contingent consideration related to BI Live amounted to 423. The potential undiscounted amount of all future payments that the Company could be required to make under this agreement was between 710 and 3,000, as of December 31, 2020. The fair value of the contingent consideration arrangement of 535 as of December 31, 2020, was estimated by discounting to present value using a risk-adjusted discount rate. An amount of 503 was paid on February 26, 2021, leaving the contingent consideration fully settled.

As of March 31, 2021, the Company signed an amendment of the agreement with the sellers of BI Live, pursuant to which the remaining payments were modified and agreed upon fixed payments in replacement of the previous contingent considerations.

As described in note 26.8, the acquisition of Grupo ASSA included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and gross margin. As of December 31, 2020, the Company remeasured the fair value of the contingent consideration related to Grupo ASSA. As of December 31, 2020, gain arising from the change in fair value of the contingent consideration amounted to 1,202 and is included as Other income and expenses, net.

As of December 31, 2020, the nominal value of contingent consideration related to Grupo ASSA amounted to 11,289. Such amount was paid on March 31, 2021. The fair value of the contingent consideration arrangement of 11,218 as of December 31, 2020 was estimated by discounting to present value using a risk-adjusted discount rate.

As described in note 26.9, the acquisition of Xappia included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and gross margin. As of December 31, 2021, loss arising from the change in the fair value of the contingent consideration amounted to 1,025 and is included as Other income and expense, net.

As of December 31, 2021 and 2020, the nominal value of contingent consideration related to Xappia amounted to 2,567 and 3,980, respectively. Based on our estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement were between 2,567 and 3,980, respectively. In addition, the actual amounts to be paid under the contingent consideration arrangement, may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 2,478

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

and 3,878 as of December 31, 2021 and 2020, respectively, was estimated by discounting to present value using a risk-adjusted discount rate. On June 29, 2021, the Company paid the aggregate consideration of 2,410 to the sellers, related to the target achievements during the year 2020.

As described in note 26.10, the acquisition of GMR included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue. As of December 31, 2021, loss arising from the change in the fair value of the contingent consideration amounted to 1,407 and is included as Other income and expense, net.

As of December 31, 2021 and 2020, the nominal value of contingent consideration related to GMR amounted to 3,403 and 4,547, respectively. Based on our estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement was 3,403 and 4,547, respectively. In addition, the actual amounts to be paid under the contingent consideration arrangement, may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 3,343 and 4,391 as of December 31, 2021 and 2020, respectively was estimated by discounting to present value using a risk-adjusted discount rate.

On June 30, 2021, the Company paid the aggregate consideration of 2,547 to the sellers, related to the target achievements during the year 2020

As described in note 26.11, to the Company's audited consolidated financial statements for the year ended December 31, 2020, the acquisition of Bluecap included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and operating margin. As of December 31, 2021, loss arising from the change in the fair value of the contingent consideration amounted to 1,226 and is included as Other income and expense, net.

As of December 31, 2021 and 2020, the nominal value of contingent consideration related to Bluecap amounted to 22,409 and 24,419, respectively. Based on our estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement were 22,409 and 24,419, respectively. In addition, the actual amounts to be paid under the contingent consideration arrangement, may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 22,405 and 22,557 as of December 31, 2021 and 2020, respectively, was estimated by using a probabilistic framework such as Montecarlo simulation were each iteration was discounted to present value using a discount rate.

As described in note 26.12, the acquisition of Cloudshift included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and operating margin. As of December 31, 2021, loss arising from the change in the fair value of the contingent consideration amounted to 460 and is included as Other income and expense, net.

As of December 31, 2021, the nominal value of contingent consideration related to Cloudshift amounted to 14,638. Based on the Company's estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement was 14,638. In addition, the actual amounts to be paid under the contingent consideration arrangement may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 14,635 as of December 31, 2021, was estimated by using a probabilistic framework such as Montecarlo simulation were each iteration was discounted to present value using a discount rate.

As described in note 26.13, the acquisition of Hybrido Worldwide included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and operating margin. As of December 31, 2021, loss arising from the change in the fair value of the contingent consideration amounted to 204 and is included as Other income and expense, net.

As of December 31, 2021, the nominal value of contingent consideration related to Hybrido Worldwide amounted to 7,597. Based on the Company's estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement was 7,597. In addition, the actual amounts to be paid under the contingent consideration arrangement may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 6,716 as of December 31, 2021, was estimated using a

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

probabilistic framework such as Montecarlo simulation were each iteration was discounted to present value using a discount rate.

As described in note 26.14, the acquisition of Walmeric did not include a contingent consideration agreement.

As described in note 26.15, the acquisition of Atix Labs included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and operating margin

As of December 31, 2021, the nominal value of contingent consideration related to Atix Labs amounted to 2,152. Based on the Company's estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement was 2,152. In addition, the actual amounts to be paid under the contingent consideration arrangement may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 2,102 as of December 31, 2021, was estimated using a probabilistic framework such as Montecarlo simulation were each iteration was discounted to present value using a discount rate.

As described in note 26.16, the acquisition of Navint included a contingent consideration agreement which is payable on a deferred basis and which will be subject to the occurrence of certain events relating to the acquired company's revenue and operating margin

As of December 31, 2021, the nominal value of contingent consideration related to Navint amounted to 13,466. Based on the Company's estimations as of those dates, the potential minimum amounts of all future payments that the Company could be required to make under this agreement was 13,466. In addition, the actual amounts to be paid under the contingent consideration arrangement may be increased proportionally to the target's achievements and are not subject to any maximum amount. The fair value of the contingent consideration arrangement of 12,207 as of December 31, 2021, was estimated using a probabilistic framework such as Montecarlo simulation were each iteration was discounted to present value using a discount rate.

The following table shows the results from remeasurement of the contingent considerations described above:

	For the year ended December 31,		
	2021	2020	2019
Increase of the contingent consideration of Belatrix	—	(3,633)	—
Increase of the contingent consideration of PointSource	—	—	(16)
Increase of the contingent consideration of Avaxo	—	—	(4)
Increase of the contingent consideration of Clarice	—	—	(3)
Increase of the contingent consideration of Ratio	—	—	(62)
Decrease of the contingent consideration of Grupo Assa	—	1,202	—
Increase of the contingent consideration of Bi Live	(372)	—	—
Increase of the contingent consideration of Bluecap	(1,226)	—	—
Increase of the contingent consideration of GMR	(1,407)	—	—
Increase of the contingent consideration of Xappia	(1,025)	—	—
Increase of the contingent consideration of Cloudshift	(460)	—	—
Increase of the contingent consideration of Habitant	(204)	—	—
TOTAL	(4,694)	(2,431)	(85)

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Description	Fair Value at December 31, 2021	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to Fair Value
Contingent consideration	63,886	Risk adjusted discount rate	Between 1.76% and 4.11%	An increase in the discount rates by 1% would decrease the fair value by \$728 and a decrease in the discount rates by 1% would increase the fair value by \$377
Contingent consideration	63,886	Expected revenues	Between 969 and 42,784	An increase in the expected revenues by 10% would increase the fair value by \$17,076 and a decrease in the expected revenues by 10% would decrease the fair value by \$13,615
Contingent consideration	63,886	Expected operating margin	Between 17.35% and 35.18%	An increase in the expected operating margin by 10% would increase the fair value by \$1,876 and a decrease in the expected operating margin by 10% would decrease the fair value by \$8,580

29.9.2 Convertible notes

As described in note 3.12.8, the Company entered into several convertible notes that include the right to convert the outstanding amount into equity shares of the invested companies. The fair value of such convertible notes was estimated using unobservable inputs. The amounts of gains and losses for the period related to changes in the fair value of the convertible notes were not material.

29.9.3. Reconciliation of recurring fair value measurements categorized within Level 3

The following table shows the reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy:

	Financial Assets		Financial liabilities
	Convertible notes	Equity instrument	Contingent consideration
December 31, 2019			
Fair value remeasurement ⁽¹⁾	3,425	—	9,252
Acquisition of business ⁽¹⁾	—	—	2,431
Acquisition of investment ⁽²⁾	—	—	43,082
Exercise of conversion option ⁽¹⁾	(1,311)	9,167	—
Instrument sold ⁽²⁾	(1,800)	1,311	—
Payments ⁽²⁾	701	—	(11,400)
Interests ⁽¹⁾	21	—	359
December 31, 2020	1,036	10,478	43,724

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	Financial Assets		Financial liabilities
	Convertible notes	Equity instrument	Contingent consideration
December 31, 2020			
Fair value remeasurement ⁽¹⁾	1,036	10,478	43,724
Acquisition of business ⁽¹⁾	—	—	4,322
Acquisition of investment ⁽³⁾	—	11,610	—
Payments ⁽²⁾	2,772	—	(17,902)
Interests ⁽¹⁾	67	—	1,285
Foreign exchange difference ⁽¹⁾	—	—	(2,714)
Others ⁽¹⁾	—	—	(200)
December 31, 2021	3,875	22,088	63,886

⁽¹⁾ Non-cash transactions.

⁽²⁾ Cash transactions included in investing activities in the Consolidated Statement of Cash Flows.

⁽³⁾ 5,762 were Cash transactions included in investing activities in the consolidated statement of cash flows, 5,848 were Non-cash transactions related to the exchange of Acamica's investment with Digital House investment.

29.10 Foreign exchange futures and forward contracts

During the years ended December 31, 2021, 2020 and 2019, the Argentine subsidiaries, Sistemas Globales S.A. and IAFH Global S.A. acquired foreign exchange futures contracts through SBS Sociedad de Bolsa S.A. (SBS) in U.S. dollars, with the purpose of hedging the possible decrease of assets' value held in Argentine Pesos due to the risk of exposure to fluctuations in foreign currency. The foreign exchange futures contracts were recognized, according to IFRS 9, as financial assets at fair value through profit or loss. For the years ended December 31, 2021, 2020 and 2019 the Company recognized a loss of 355, 144 and a gain of 383, respectively.

These futures contracts have daily settlements, in which the futures value changes daily. Sistemas Globales S.A. and IAFH Global S.A. recognize daily variations in SBS primary accounts, and the gains or losses generated by each daily position through profit or loss. Thus, at the closing of each day, according to the future price of the exchange rate U.S. Dollar – Argentine peso, the companies perceive a gain or loss for the difference. As of December 31, 2021, the accrued valuation of the last day of the month will be settled with the bank in the first day of the next month, so the value recognize in the financial statements is the amount pending to settle with the bank for the last day valuation, as of December 31, 2021 there were no outstanding future contracts. As of December 31, 2020 the Company maintained three foreign exchange futures contracts with a maturity date of January 31, 2021 and 7 recognize as Other financial liabilities in the balance sheet.

Pursuant to these contracts, Sistemas Globales S.A. and IAFH Global S.A. are required to maintain collaterals in an amount equal to a percentage of the notional amounts purchased until settlement of the contracts. As of December 31, 2020, Sistemas Globales held a 10% of the value of those collaterals in Mutual funds in SBS primary account. This ensures minimal funding, in case SBS has to transfer funds to "Mercado a Término de Rosario S.A" (ROFEX) if losses are generated by daily settlements. This amount must also remain restricted during the term of the contracts. As of December 31, 2020, collaterals regarding the transactions are restricted assets for an amount of 952 in Mutual funds included as investments. As of December 31, 2021, the Company did not maintain any collaterals for futures contracts.

During 2021 and 2020, certain subsidiaries from Argentina, Uruguay, Chile, Colombia, Mexico and India, acquired foreign exchange forward contracts with certain banks in U.S. dollars, with the purpose of hedging the possible decrease of assets' value held in the local currencies from each country, due to the risk of exposure to fluctuations in those foreign currencies. Those contracts were recognized, according to IFRS 9, as financial assets at fair value through profit or loss. For the years ended December 31, 2021 and 2020, the Company recognized a net loss of 10,673 and 3,783, respectively. As of December 31, 2021 and 2020, the foreign exchange forward contracts that were recognized as financial assets and liabilities at fair value through profit or loss were as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Settlement date	Currency from contracts	Foreign currency rate from contracts	Notional foreign currency rate	Fair value assets / (liabilities)
January 31, 2022	Mexican Peso	21.96	20.65	255
February 28, 2022	Indian Rupee	75.53	75.52	76
February 28, 2022	Colombian peso	4,037.00	4,005.31	119
March 31, 2022	Colombian peso	4,053.10	4,021.61	119
March 31, 2022	Colombian peso	4,040.50	4,021.55	39
Fair value as of December 31, 2021				608
January 28, 2021	Colombian Peso	3,530.13	3,433.13	226
January 28, 2021	Colombian Peso	3,475.25	3,431.93	101
Fair value as of December 31, 2020				327
Settlement date	Currency from contracts	Foreign currency rate from contracts	Notional foreign currency rate	Fair value assets / (liabilities)
January 31, 2022	Pound Sterling	0.73	0.74	(156)
January 31, 2022	Colombian Peso	3,902.25	3,993.60	(138)
January 31, 2022	European Union Euro	0.86	0.88	(410)
January 31, 2022	Uruguayan Peso	44.36	44.93	(64)
January 31, 2022	Argentinian Peso	106.98	106.92	(3)
January 31, 2022	Argentinian Peso	108.70	106.92	(87)
January 31, 2022	Argentinian Peso	110.85	106.92	(134)
January 31, 2022	Argentinian Peso	107.16	106.92	(12)
February 25, 2022	Argentinian Peso	115.35	111.35	(136)
February 28, 2022	European Union Euro	0.86	0.88	(212)
February 28, 2022	Chilean Peso	855.45	850.55	(40)
Fair value as of December 31, 2021				(1,392)
January 29, 2021	Argentine Peso	90.50	87.60	(86)
Fair value as of December 31, 2020				(86)

The most frequently applied valuation techniques include forward pricing models. The models incorporate various inputs including: foreign exchange spot, interest rates curves of the respective currencies and the term of the contract.

29.11 Hedge accounting

During 2021 and 2020, certain subsidiaries from Argentina, Uruguay, Chile, Colombia, Mexico and India entered into foreign exchange forward and future contracts to manage the foreign currency risk associated with the salaries payable in the local currency of each country. The Company designated those derivatives as hedging instruments in respect of foreign currency risk in cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges are recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'finance income' or 'finance expense' line items. Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item (i.e. Salaries, employee benefits and social security taxes).

As of December 31, 2021 and 2020, the Company has recognized a net loss of 136 and 272, respectively, included in Salaries, employee benefits and social security taxes and a net loss of 131 and a net gain of 165, respectively, included in other comprehensive income.

During 2020, Globant, LLC entered into four interest rate swap transactions with the purpose of hedging the exposure to variable interest rate related to the Amended and Restated Credit Agreement with certain financial institutions. By the end of that year the Company chose to discontinue three of the four interest rate swap transaction. During the year ended December 31, 2021, the Company chose to discontinue the remaining interest rate swap since the hedged future cash flows were no longer expected to occur. As of December 31, 2021 and 2020, the Company recognized a gain of 132 and a loss of 132 respectively, included in the line item "Other comprehensive income". The Company designated those derivatives as hedging instruments in respect of interest rate risk in cash flow hedges. Hedges of interest rate risk on recognized liabilities are accounted for as cash flow hedges.

Foreign currency forward contract and interest rate swap assets and liabilities are presented in the line 'Other financial assets' and 'Other financial liabilities' within the statement of financial position.

The following table detail the foreign currency forward contracts outstanding as of December 31, 2021:

Hedging instruments - Outstanding contracts

Settlement date	Currency from contracts	Foreign currency rate from contracts	Notional foreign currency rate	Fair value assets / (liabilities)
January 25, 2022	Indian Rupee	75.50	74.50	9
January 27, 2022	Indian Rupee	74.68	74.55	2
January 27, 2022	Indian Rupee	74.67	74.55	2
January 27, 2022	Indian Rupee	74.68	74.55	1
February 23, 2022	Indian Rupee	75.67	74.74	9
February 24, 2022	Indian Rupee	75.76	74.78	14
February 24, 2022	Indian Rupee	75.76	74.78	20
February 24, 2022	Indian Rupee	75.76	74.78	5
March 31, 2022	Colombian Peso	4064.86	4021.21	88
Fair value as of December 31, 2021				150
January 15, 2021	Mexican Peso	20.15	19.93	22
January 27, 2021	Indian Rupee	73.72	73.31	2
January 27, 2021	Indian Rupee	73.72	73.31	3
January 27, 2021	Indian Rupee	73.72	73.31	3
January 27, 2021	Indian Rupee	73.71	73.31	1
January 28, 2021	Colombian Peso	3,490.10	3,433.08	133
January 29, 2021	Uruguayan Peso	42.51	42.47	1
Fair value as of December 31, 2020				165

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Settlement date	Currency from contracts	Foreign currency rate from contracts	Notional foreign currency rate	Fair value assets / (liabilities)
January 31, 2022	Colombian Peso	3,967.65	3,993.75	(52)
February 28, 2022	Colombian Peso	3,978.05	4,004.91	(54)
Fair value as of December 31, 2021				(106)

NOTE 30 — CAPITAL AND RESERVES

30.1 Issuance of common shares

During the year ended December 31, 2021, 213,686 common shares were issued after vested options arising from the 2012 and 2014 share-based compensation plan were exercised by some employees. Options were exercised at an average price of 30.93 per share amounting to a total of 6,612.

During the year ended December 31, 2021, 168,669 Restricted Stock Units (RSU) were granted to certain employees and directors of the Company and 235,392 RSU's were vested at an average price of 89.18 per share amounting to a total of 20,992 (non-cash transactions).

On November 30, 2021, the Company issued 7,032 common shares for a total amount of 2,100 as part of the subscription agreement included in the stock purchase agreement signed with Navint's sellers.

On November 17, 2021, the Company issued 2,502 common shares for a total amount of 750 as part of the subscription agreement included in the stock purchase agreement signed with Xappia's sellers.

On July 8, 2021, the Company issued 10,842 common shares for a total amount of 2,372 as part of the subscription agreement included in the stock purchase agreement signed with Walmeric's sellers.

On May 11, 2021, the Company issued 10,088 common shares for a total amount of 2,149 as part of the subscription agreement included in the stock purchase agreement signed with Hybrid Worldwide's sellers. As part of the subscription agreement the Company recognized 2,152 as equity settled agreement, related to common shares that the Company will issued in the future.

On March 15, 2021, the Company issued 8,415 common shares for a total amount of 1,750 as part of the subscription agreement included in the stock purchase agreement signed with Xappia's sellers.

During the year ended December 31, 2020, 175,272 common shares were issued after vested options arising from the 2012 and 2014 share-based compensation plan were exercised by certain employees. Options were exercised at an average price of 33.24 per share amounting to a total of 5,825.

During the year ended December 31, 2020, 309,384 RSUs were granted to certain employees and directors of the Company and 219,047 RSUs were vested at an average price of 59.37 per share amounting to a total of 13,005 (non-cash transaction).

On December 18, 2020, the Company issued 189,287 common shares for a total amount of 40,354 as part of the subscription agreement included in the stock purchase agreement signed with Bluecap.

On November 10, 2020, the Company issued 5,551 common shares for a total amount of 1,123 as part of the subscription agreement included in the stock purchase agreement signed with Giant Monkey Robot.

On August 3, 2020, the Company issued 20,918 common shares for a total amount of 3,618 as part of the subscription agreement included in the stock purchase agreement signed with Grupo ASSA's sellers.

On May 7, 2020, the Company issued 2,730 common shares for a total amount of 294 as part of the subscription agreement included in the stock purchase agreement signed with Avanzo's sellers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

On April 20, 2020, the Company issued 6,346 common shares for a total amount of 684 as part of the subscription agreement included in the stock purchase agreement signed with Avanzo's sellers.

On March 10, 2020, the Company issued 2,018 common shares for a total amount of 225 as part of the subscription agreement included in the stock purchase agreement signed with Ratio's sellers.

During the year ended December 31, 2019, 717,240 common shares were issued after vested options arising from the 2012 and 2014 share-based compensation plan were exercised by some employees. Options were exercised at an average price of 22.06 per share amounting to a total of 15,822.

During the year ended December 31, 2019, 309,539 Restricted Stock Units (RSU) were granted to certain employees and directors of the Company. During 2019, 181,860 RSUs were vested at an average price of 37.00 per share amounting to a total of 6,732 (non-cash transaction).

On August 9, 2019, the Company issued 51,471 common shares for a total amount of 5,000 as part of the subscription agreement stated in the stock purchase agreement signed with Belatrix's seller.

On April 5, 2019, the Company issued 7,654 common shares for a total amount of 400 as part of the subscription agreement stated in the stock purchase agreement signed with Clarice's sellers.

On March 21 and March 18, 2019, the Company issued 7,517 common shares for a total amount of 449 as part of the subscription agreement stated in the stock purchase agreement signed with Ratio's sellers.

On March 18, 2019, the Company issued 13,895 common shares for a total amount of 868 as part of the subscription agreement stated in the stock purchase agreement signed with Small Footprint's sellers.

On February 20 and February 1, 2019, the Company issued 14,778 common shares for a total amount of 845 as part of the subscription agreement stated in the stock purchase agreement signed with Avanzo's sellers.

On February 15, 2019, the Company issued 3,542 common shares for a total amount of 208 as part of the subscription agreement stated in the stock purchase agreement signed with Pointsource's sellers.

30.2 Public offerings and agreements

On June 9 2020, 2,300,000 common shares were issued and sold at a price of 135 for a net proceeds of 300,880, which were listed on the New York Stock Exchange. Costs associated with the proceed consisted of agents commissions, legal and professional fees and listing fees.

On May 28 2021, 1,380,000 common shares were issued and sold at a price of 214 for a net proceeds of 286,207, which were listed on the New York Stock Exchange. Cost associated with the proceed consisted of agents commissions, legal and professional fees and listing fees.

As of December 31, 2021, 40,375,915 common shares of the Company's share capital are registered with the SEC and quoted in the New York Stock Exchange.

30.3 Cash flow hedge reserve

The movements in the cash flow hedge reserve were as follows:

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

	Foreign currency risk	
	2021	2020
Balance at beginning of the year	281	352
Loss arising on changes in fair value of hedging instruments during the period	(578)	(948)
Loss reclassified to profit or loss – hedged item has affected profit or loss	308	877
Balance at end of the year	11	281

NOTE 31 — APPROPRIATION OF RETAINED EARNINGS UNDER SUBSIDIARIES' LOCAL LAWS AND RESTRICTIONS ON DISTRIBUTION OF DIVIDENDS

In accordance with Argentine and Uruguayan Law, the Argentine and Uruguayan subsidiaries of the Company must appropriate at least 5% of net income off the year to a legal reserve, until such reserve equals 20% of their respective share capital amounts.

On June 16, 2021, the Argentine Government enacted an income tax reform (Law No. 27,630) which, among other things, permanently extends the 7% withholding tax for dividend distribution.

On December 29, 2017, Argentine Law No. 27,430 amending the income tax law was enacted. According to the amendments, for fiscal years beginning on or after January 1, 2018 the distribution of dividends is now subject to a 7% withholding for 2018 and 2019 and 13% withholding for 2020 onwards. The Equalization Tax, which levied distributions made out of previously untaxed income, was eliminated.

On December 23, 2013, the Argentine government adopted a new double taxation treaty with Spain, which applied retroactively from January 1, 2013. According to this treaty, the tax applicable on dividends distributed by our Argentine Subsidiaries to the Spain Holdco, is limited to 10% on the gross amount of dividends distributed.

As of December 31, 2021, the legal reserve amounted to 434 for the Company's Argentine subsidiaries, Sistemas Globales S.A, IAFH Global S.A, BSF S.A, Globers S.A, Decision Support S.A, Atix Labs S.R.L, and Dynaflows S.A, and as of that date, the legal reserve of Sistemas Globales S.A, Globers S.A and Decision Support S.A were all fully constituted.

As of December 31, 2021, the legal reserve amounted to 45 for Sistemas Globales Uruguay S.A and Difer S.A, and as of that date only Sistemas Globales Uruguay was fully constituted.

According to the Bylaws of Sistemas Colombia S.A.S. and Globant Colombia S.A.S., the Colombian subsidiaries of the Company must appropriate at least 10% of the net income of the year to a legal reserve until such reserve equals 50% of its share capital. As of December 31, 2021, there was a legal reserve of 360 constituted by Sistemas Colombia S.A.S. Regarding Avanzo Colombia, the Colombian branch of Globant España S.A. (sociedad unipersonal) - as successor company of Avanzo Servicios Informáticos España S.L. after its merged with and into Globant España S.A. (sociedad unipersonal), there is no requirement for the Colombian branch to allocate profits for the creation of a legal reserve and, therefore, as of December 31, 2021, there was no legal reserve constituted. Globant Colombia S.A.S, did not have a legal reserve as of December 31, 2021.

Colombian Law No 1,819, published on December 29, 2016, introduced a withholding tax of 5% on dividend distributions to non-resident. This new fiscal obligation is not applicable to our shareholder due to the tax treaty agreement between Colombia and Spain, entered in force on October 28, 2008.

Under Spanish law, the Spanish subsidiaries of the Company must appropriate 10% of its standalone profit to a legal reserve until such reserve equals to 20% of their respective share capital amount. As of December 31, 2021, the legal reserve amounted to 12,449 for Globant España S.A. (sociedad unipersonal), Software Product Creation S.L., Grupo Assa Worldwide S.A., Bluecap Management Consulting S.L., Hybrido Worldwide S.A. and Walmeric Soluciones S.A., and as of that date, the legal reserve of Bluecap Management Consulting S.L, Hybrido Worldwide S.A and, Walmeric Soluciones S.A were all fully constituted. There was no legal reserve constituted for Pixel Division S.L. and Augmented Coding Spain S.A as of December 31, 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

In accordance with Brazilian Law, there is no requirement for limited liability companies to allocate profits for the creation of a legal reserve. Accordingly, the Company's Brazilian subsidiaries did not have a legal reserve as of December 31, 2021.

Under Luxembourg law, at least 5% of our net profit per year must be allocated to the creation of a legal reserve until such reserve has reached an amount equal to 10% of our issued share capital. If the legal reserve subsequently falls below the 10% threshold, at least 5% of net profit must be allocated toward the reserve. If the legal reserve exceeds 10% of our issued share capital, the legal reserve may be reduced in proportion so that it does not exceed 10% of our issued share capital. The legal reserve is not available for distribution. As of December 31, 2021, the legal reserve amounted to 891.

As for the restrictions on the distribution of dividends paid by the Company to the holders of our common shares are as a rule subject to a 15% withholding tax in Luxembourg, unless a reduced withholding tax rate applies pursuant to an applicable double tax treaty or an exemption pursuant to the application of the participation exemption, and, to the extent withholding tax applies, we are responsible for withholding amounts corresponding to such taxation at its source.

In accordance with Peru corporate law, Peruvian Companies must reserve at least 10% of its net income of the year to a legal reserve, until such reserve equals 20% of its respective amount of capital stock. As of December 31, 2021, the legal reserve amounted to 281 for Globant Peru S.A.C. that was partially constituted.

According to Mexican Law, the Mexican subsidiaries of the Company must appropriate at least 5% of net income of the year to a legal reserve, until such reserve equals the fifth portion of their respective share capital amounts. As of December 31, 2021, the legal reserve amounted to 15 for GASA Mexico Consultoría y Servicios S.A de C.V. which was fully constituted. As of December 31, 2021, the legal reserve amounted to 658 for the Company's Mexican subsidiaries IAFH Globant México IT S. de R.L. de C.V., Grupo Assa Mexico Soluciones Informáticas S.A de C.V, and GASA Mexico Consultoría y Servicios S.A de C.V.

Regarding India Law, the Companies Act, 2013 does not mandate any fixed quantum of profits to be transferred or allocated to the reserves of a company. Despite there is no mandatory provision, as of December 31, 2021, the Globant India Private Limited's and Hansen Techsol Private Limited had a general reserve that amounted to 267.

In accordance with Indian law, our Indian subsidiary must set off all losses incurred by it (including carried over losses from the previous financial year) and make a provision for depreciation (including depreciation for the previous year if it was not already provided for) against the profits earned by it prior to declaring any dividends. Since the declaration of dividends under Indian law is discretionary, our Indian subsidiary is not required to allocate a specific portion of its annual profits to a designated legal reserve for purposes of declaring dividends.

In the United Kingdom there is no requirement for the UK subsidiaries to allocate profits for the creation of a legal reserve. Despite there is no mandatory provision, as of December 31, 2021, The Hansen Partnership Limited's general reserve amounted to 743.

In Germany there is no requirement for German subsidiaries to allocate profits for the creation of a legal reserve.

In Netherlands there is no legal obligation to allocate part of the profits from the Company to a legal reserve.

In Chile there is no requirement for Chilean Company to allocate profits for the creation of a legal reserve. As of December 31, 2021, there was no legal reserve constituted.

According to French law, a minimum of 5% of the profit of the year must be allocated to a reserve account named "legal reserve", until such reserve amounts 10% of the share capital of the French subsidiary of the Company. As of December 31, 2021, the legal reserve amounted to 6 for Globant France S.A.S.

In accordance with the law of Belarus, the Belorussian subsidiary of the Company must allocate an amount up to 25% of annual payroll to a reserve fund for salaries. The source for creating this fund is the profit remaining at the disposal of the subsidiary after paying taxes and other obligatory payments. As of December 31, 2021, there was no such reserve constituted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

In the United States there is no requirement for the Company's U.S. subsidiaries to allocate profits for the creation of a legal reserve. As of December 31, 2021, there was no legal reserve constituted.

According to Romanian Companies Law, the Romanian subsidiary of the Company has the obligation to allocate each year at least 5% of its profit to a reserve fund, until the value of the fund is at least 20% of the Romanian Company's share capital. As of December 31, 2021, the reserve fund of the company was of Romanian Leu ("RON") 58.

In Canada there is no requirement for the Canada's Company subsidiary to allocate profits for the creation of a legal reserve. As of December 31, 2021, there was no legal reserve constituted.

In the United Arab Emirates there is no requirement for Software Product Creation's branch office in Dubai to allocate profits for the creation of a legal reserve. As of December 31, 2021, there was no legal reserve constituted.

In Costa Rica 5% of the net profits for each year must be allocated to the formation of a legal reserve. Such obligation will cease when that reserve reaches 10% of the capital. As of December 31, 2021, there was no legal reserve constituted.

In Singapore there is no mention on the allocation of profits or any restrictions on the companies. As of December 31, 2021, there was no legal reserve constituted.

In Ecuador there is no requirement for the Ecuador's Company subsidiary to allocate profits for the creation of a legal reserve. As of December 31, 2021, there was no legal reserve constituted.

NOTE 32 – COVID-19 IMPACT ON THE FINANCIAL STATEMENTS

On March 11, 2020, the World Health Organization declared a pandemic of the outbreak of Coronavirus ("COVID-19"), due to its rapid spread throughout the world, having affected, at that time, more than 110 countries. As of December 31, 2020, tens of countries had declared state of national health emergency, which measures had caused a substantial disruption in the global economy. It is difficult to estimate the full extent and duration of the impacts of the pandemic on businesses and economies. However, by the end of the year most countries have resume progressively with all economic activities.

On March 27, 2020, the International Accounting Standards Board (the "IASB") published a document for educational purposes, to help support the consistent application of accounting standards during a period of enhanced economic uncertainty arising from the COVID-19 pandemic. In that publication, the IASB indicated that they had engaged closely with the regulators to encourage entities to consider that guidance. The financial reporting issues, reminders and considerations highlighted in this publication are the following: going concern, financial instruments, asset impairment, governments grants, income taxes, liabilities from insurance contracts, leases, insurance recoveries, onerous contract provisions, fair value measurement, revenue recognition, events after the reporting period, other financial statements disclosure requirements and other accounting estimates.

On May 28, 2020, the "IASB" published 'Covid-19-Related Rent Concessions (Amendment to IFRS 16)' amending the standard to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. As a practical expedient, a lessee may elect not to assess whether a rent concession related to COVID-19 is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification. The Company determined to apply the practical expedient to all the lease contracts of office spaces and has recognized as of December 31, 2020 a discount for 512 included in rental expenses.

The Company has determined, after analyzing the possible impact of the economic situation in the financial statements, that an assessment of the treatment of expected credit losses ("ECLs") was necessary, since IFRS 9 should not be applied mechanically and prior assumptions may no longer hold true in the current environment.

At the beginning of the year 2020, for the purpose of measuring ECLs and for determining whether significant increase in credit risk had occurred, the Company grouped financial instruments on the basis of shared credit risk characteristics, and, specifically, grouped our trade receivables considering the industry verticals.

GLOBANT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2021 and 2020 and for the three years in the period ended December 31, 2021
(amounts are expressed in thousands of U.S. dollars, except where expressly indicated that amounts are stated in thousands of other currencies)

Considering that the tourism sector was one of the hardest-hit by the outbreak of COVID-19, with impacts on both travel supply and demand, in 2020 the Company had to adjust the estimations of ECLs for trade receivables from customers within the "Travel & Hospitality" as well as for the rest of our customers, since at the time of our review, there were some indications of change in payment terms and, to a lesser extent, the probability of non-payment due to the effects of COVID-19 pandemic.

The Company has assessed whether the impact of COVID-19 has led to any other non-financial asset impairment, including goodwill, and has concluded, that there is no indication that the cash-generating unit may be impaired. Based on the sensitivity analysis performed, there were no significant changes in any of the used key assumptions that would have resulted in an impairment charge. The Company will continue to monitor developments closely.

Finally, as required by IAS 1, Presentation of Financial Statements, the Company has evaluated its ability to continue as a going concern taking into consideration the existing and anticipated effects of the COVID-19 outbreak on the Company's activities and has concluded that, since its business outlook, cash and liquidity position remain strong, the going concern assumption is appropriate.

NOTE 33 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events until February 16, 2022, date of approval of these consolidated financial statements, to assess the need for potential adjustments or disclosures in these consolidated financial statements in accordance with IAS 10 "Events after the reporting period". The Company doesn't have any subsequent events to report.

NOTE 34 – APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements were approved by the Board of Directors on February 16, 2022.

Martín Migoya
President

« GLOBANT S.A. »

société anonyme

**L-1855 Luxembourg, 37A, avenue J.F.
Kennedy**

R.C.S. Luxembourg, section B numéro 173.727

STATUTS COORDONNES à la date du 25 janvier 2022

A. NAME - DURATION - PURPOSE - REGISTERED OFFICE Article 1 Name

There exists a company in the form of a joint stock company (*société anonyme*) under the name of "GLOBANT S.A." (the "Company") which shall be governed by the law of 10 August 1915 concerning commercial companies, as amended (the "Law"), as well as by the present articles of association.

Article 2 Duration

The Company is incorporated for an unlimited duration. It may be dissolved at any time and without cause by a resolution of the general meeting of shareholders, adopted in the manner required for an amendment of these articles of association.

Article 3 Object

3.1. The Company's primary purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses, as well as the administration and control of such portfolio.

3.2. The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

3.3. The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid or other securities of any kind in accordance with Luxembourg law.

3.4. The Company may carry out any commercial, industrial, financial, real estate, technical, intellectual property or other activities which it may deem useful in accomplishment of these purposes.

Article 4 Registered office

4.1. The Company's registered office is established in the city of Luxembourg, Grand Duchy of Luxembourg. The Company's registered office may be transferred by a resolution of the board of directors within the same municipality.

4.2. It may be transferred to any other municipality in the Grand Duchy of Luxembourg by means of a resolution of the general meeting of shareholders.

4.3. Branches or other offices may be established either in the Grand Duchy of Luxembourg or abroad by a resolution of the board of directors.

B. SHARE CAPITAL - COMMON SHARES - REGISTER OF COMMON SHARES - OWNERSHIP AND TRANSFER OF COMMON SHARES

Article 5 Share capital

5.1. The Company has a share capital of **fifty million two hundred sixty-nine thousand seventy-six US dollars and forty cents (USD 50,269,076.40)** represented by **forty-one million eight hundred**

ninety thousand eight hundred ninety seven (41,890,897) common shares having a nominal value of one US dollar and twenty cents (USD 1.20) per common share.

5.3. The Company's issued share capital may be (i) increased by a resolution of the board of directors (or delegate thereof) in accordance with articles 6.1 and 6.2 of these articles of association or (ii) increased or reduced by a resolution of the general meeting of shareholders, adopted in the manner required for an amendment of these articles of association.

Article 6 Authorized capital

6.1 The Company's authorized capital, excluding the Company's share capital, is set at **three million forty-two thousand nine hundred twenty-two US dollars and eighty cents (USD 3,042,922.80)** consisting in **two million five hundred thirty-five thousand seven hundred sixty-nine (2,535,769)** common shares having a nominal value of one US dollar and twenty cents (USD 1.20) per common share.

6.2 The board of directors is authorized to issue common shares, to grant options to subscribe for common shares and to issue any other instruments convertible into, or giving rights to, common shares within the limit of the authorized share capital, to such persons and on such terms as it shall see fit, and specifically to carry out such issue or issues without reserving a pre-emptive subscription right for the existing shareholders during a period of time from the date of the extraordinary general meeting of shareholders held on 3 April 2020 and ending on the fifth (5th) anniversary of the date of the extraordinary general meeting of shareholders held on 3 April 2020. Such common shares may be issued above, at or below market value, above or at nominal value, or by way of incorporation of available reserves (including premium). The general meeting has authorized the board of directors to waive, suppress or limit any pre-emptive subscription rights of shareholders to the extent the board deems such waiver, suppression or limitation advisable for any issue or issues of common shares within the scope of the Company's authorized (un-issued) share capital. This authorization may be renewed, amended or extended by resolution of the general meeting of shareholders adopted in the manner required for an amendment of these articles of association. Upon an issue of shares within the authorized share capital, the board shall have the present articles of association amended accordingly.

6.3 The authorized capital of the Company may be increased or reduced by a resolution of the general meeting of shareholders adopted in the manner required for amendments of these articles of association.

Article 7 Common shares

7.1 The Company's share capital is divided into common shares, each of them having the same nominal value. The common shares of the Company are shall remain in registered form only.

7.2 The Company may have one or several shareholders.

7.3 No fractional common shares shall be issued or exist.

7.4 Within the limits and conditions laid down by the Law, the Company may repurchase its own common shares and may hold them in treasury.

7.5 A register of common shares will be kept by the Company and will be available for inspection by any shareholder. Ownership of registered common shares will be established by inscription in the said register or in the event separate registrars have been appointed pursuant to article 7.6, in such separate register(s). Without prejudice to the conditions for transfer by

book entries provided for in article 7.8 of these articles of association, a transfer of registered common shares shall be carried out by means of a declaration of transfer entered in the relevant register, dated and signed by the transferor and the transferee or by their duly authorized representatives or by the Company upon notification of the transfer or acceptance of the transfer by the Company. The Company may accept and enter in the relevant register a transfer on the basis of correspondence or other documents recording the agreement between the transferor and the transferee.

7.6 The Company may appoint registrars in different jurisdictions who will each maintain a separate register for the registered common shares entered therein and the holders of common shares may elect to be entered in one of the registers and to be transferred from time to time from one register to another register. The board of directors may however impose transfer restrictions for common shares that are registered, listed, quoted, dealt in or have been placed in certain jurisdictions in compliance with the requirements applicable therein. A transfer to the register kept at the Company's registered office may always be requested.

7.7 Subject to the provisions of article 7.8 and article 7.10, the Company may consider the person in whose name the registered common shares are registered in the register of shareholders as the full owner of such registered common shares. In the event that a holder of registered common shares does not provide an address in writing to which all notices or announcements from the Company may be sent, the Company may permit a notice to this effect to be entered into the register of shareholders and such holder's address will be deemed to be at the registered office of the Company or such other address as may be so entered by the Company from time to time, until a different address shall be provided to the Company by such holder in writing. The holder may, at any time, change his address as entered in the register of shareholders by means of written notification to the Company.

7.8 The common shares may be held by a holder (the "**Holder**") through a securities settlement system or a Depository (as this term is defined below). The Holder of common shares held in such fungible securities accounts has the same rights and obligations as if such Holder held the common shares directly. The common shares held through a securities settlement system or a Depository shall be recorded in an account opened in the name of the Holder and may be transferred from one account to another in accordance with customary procedures for the transfer of securities in book-entry form. However, the Company will make dividend payments, if any, and any other payments in cash, common shares or other securities, if any, only to the securities settlement system or Depository recorded in the register of shareholders or in accordance with the instructions of such securities settlement system or Depository. Such payment will grant full discharge of the Company's obligations in this respect.

7.9 In connection with a general meeting, the board of directors may decide that no entry shall be made in the register of shareholders and no notice of a transfer shall be recognized by the Company and the registrar(s) during the period starting on the Record Date (as hereinafter defined) and ending on the closing of such general meeting.

7.10 All communications and notices to be given to a registered shareholder shall be deemed validly made if made to the latest address communicated by the shareholder to the Company in accordance with article 7.7 or, if no address has been communicated by the shareholder, the

registered office of the Company or such other address as may be so entered by the Company in the register from time to time according to article 7.8.

7.11 Where common shares are recorded in the register of shareholders in the name of or on behalf of a securities settlement system or the operator of such system and recorded as book-entry interests in the accounts of a professional depository or any sub-depository (any depository and any sub-depository being referred to hereinafter as a "**Depository**"), the Company - subject to having received from the Depository a certificate in proper form - will permit the Depository of such book-entry interests to exercise the rights attaching to the common shares corresponding to the book-entry interests of the relevant Holder, including receiving notices of general meetings, admission to and voting at general meetings, and shall consider the Depository to be the holder of the common shares corresponding to the book-entry interests for purposes of this article 7 of the present articles of association. The board of directors may determine the formal requirements with which such certificates must comply.

Article 8 Ownership of common shares

8.1 The Company will recognize only one (1) holder per common share. If a common share is owned by several persons, they must designate a single person to be considered as the sole owner of such common share in relation to the Company. The Company is entitled to suspend the exercise of all rights attached to a common share held by several owners until one (1) owner has been designated.

8.2 The common shares are freely transferable, subject to the provisions of these articles of association. All rights and obligations attached to any common share are passed to any transferee thereof, except as otherwise provided for herein.

8.2.1 As long as the common shares of the Company are admitted to trading on a regulated market (within the meaning of Directive 2014/65/EU) within the territory of the European Economic Area (the "**Regulated Market**") the provisions of Directive 2004/25/EC on takeover bids shall apply in the context of any takeover in respect of the Company's common shares.

If the common shares are no longer admitted to trading on any Regulated Market the following rules shall apply in the context of any takeover in respect of the Company's common shares.

Any person (such person hereinafter called, the "**Bidder**") wishing to acquire by any means (including, but not limited to, the conversion of any financial instrument convertible into common shares), directly or indirectly, common shares (the "**Intended Acquisition**") which, when aggregated with his/her/its existing common share holdings, together with any shares held by a person controlling the Bidder, controlled by the Bidder and/or under common control with the Bidder, represent at least thirty-three point thirty- three percent (33.33%) of the share capital of the Company (the "**Threshold**"), shall have the obligation to propose an unconditional takeover bid to acquire the entirety of the then-outstanding common shares together with any financial instrument convertible into common shares (the "**Takeover Bid**"). Each Takeover Bid shall be conducted in accordance with the procedure stipulated under clauses (i) through (vii) hereof (the "**Takeover Bid Procedure**") and shall also be conducted in conformity and compliance with the laws and regulations in the jurisdictions in which the Company's common shares or other securities are listed and/or where the Takeover Bid takes place and the rules of the stock exchanges where the Company's

common shares are listed (for the avoidance of doubt excluding any Regulated Market), in each case, applicable to public offers (collectively, the "**Applicable Rules**"), it being understood that, to the extent any such requirements impose stricter rules or regulations upon the Bidder, such stricter rules and regulations shall be complied with by Bidder.

(i) The Bidder shall notify the Company in writing about the Intended Acquisition and the Takeover Bid (the "**Takeover Notice**"), at least fifteen (15) Luxembourg business days (or such shorter period as is required under Applicable Rules) in advance of the commencement date thereof (such notification date, the "**Takeover Notice Date**"). A Takeover Notice shall also be required regarding any agreement or memorandum of understanding that the Bidder intends to enter into with a holder of common shares and/or financial instrument convertible into common shares whereby, under certain circumstances, due to such agreement or memorandum of understanding, the Bidder would become the holder of common shares resulting the Threshold being attained or exceeded (hereinafter called "**Prior Agreement**"). In addition to complying with the Applicable Rules, such Takeover Notice shall include the following minimum information, subject to the inclusion of any additional information as may be required under the Applicable Rules: (A) The Bidder's identification, nationality and domicile. If the Bidder is made up of a group of individuals or entities, the identification and domicile of each member of the group and of the managing officer of each entity forming part of the group; (B) The consideration offered for the common shares and the financial instruments convertible into common shares and the source of funds to pay such consideration. (C) The scheduled expiration date of the Takeover Bid period, whether it can be extended, and if so, how long the extension may be and according to which procedure the extension shall be made; (D) A statement by the Bidder indicating the exact dates before and after which the holders of common shares and financial instruments convertible into common shares, who have validly tendered their common shares and/or financial instruments convertible into common shares subject to the Takeover Bid regime, shall be entitled to withdraw them, how the common shares and the financial instruments convertible into common shares thus tendered shall be accepted, and how the withdrawal of the common shares and the financial instruments convertible into common shares from sale under the Takeover Bid regime shall be carried out; (E) Any additional information, including the Bidder's financial or accounting statements, as the Company may reasonably request or which may be necessary so as to avoid the above Takeover Notice from leading to erroneous conclusions or when the information submitted is incomplete or insufficient.

(ii) On the Takeover Notice Date, the Company shall mail to each holder of common shares and financial instruments convertible into common shares, at the Bidder's cost and expense, a copy of the Takeover Notice. In the case of registered holders of common shares and/or financial instrument convertible into common shares, the Takeover Notice will be sent by registered mail and in case of common shares and financial instrument convertible into common shares held through a brokerage account, the Takeover Notice will be mailed to the relevant brokers through the Depository agent.

(iii) On the Takeover Notice Date, the Bidder shall publish a notice containing the information stated in paragraph (i). Subject to applicable legal provisions, the Takeover Notice shall be published in two (2) major

newspapers of the Grand Duchy of Luxembourg and in the City of New York, U.S.A. or such longer period as required under Applicable Laws.

(iv) The consideration for each common share and financial instrument convertible into common shares payable to each holder thereof shall be the same, shall be payable in cash only, and shall not be lower than the highest of the following prices:

(A) the highest price per common shares and financial instrument convertible into common shares paid by the Bidder, or on behalf thereof, in relation to any acquisition of common shares and the financial instruments convertible into common shares within the twelve months period immediately preceding the Takeover Notice, adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and/or the financial instruments convertible into common shares; or

(B) the highest closing sale price, during the sixty-day period immediately preceding the Takeover Notice, of a common share of the Company as quoted by the New York Stock Exchange, in each case as adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and financial instrument convertible into common shares.

(vi) The Takeover Bid shall be open for a minimum period of at least twenty (20) Luxembourg business days as from the date the Takeover Bid was commenced.

(vii) The Bidder shall acquire all common shares and financial instruments convertible into common shares that are validly tendered (and not withdrawn) before the expiration date of the Takeover Bid in accordance with the provisions of these articles of association governing Takeover Bids.

(viii) Once the Takeover Bid Procedure has been completed, the Bidder may execute the Prior Agreement, if any, regardless of the number of common shares and financial instrument convertible into common shares purchased. The Prior Agreement, if any, shall be executed within thirty (30) days following the closing of the Takeover Bid; otherwise, it shall be necessary to repeat the Takeover Bid Procedure provided for in this article in order to execute the Prior Agreement.

8.2.2 If the terms of article 8.2.1 hereof are not complied with, the Bidder shall be forbidden to acquire common shares, whether directly or indirectly, by any means (including, but not limited to, the conversion of any financial instrument convertible into common shares) or instrument if, as a result of such acquisition, the Bidder (when aggregated with any shares held by a person controlling the Bidder, controlled by the Bidder and/or under common control with the Bidder) becomes the holder of common shares which, in addition to its prior holdings represent, in the aggregate, at least thirty-three point thirty-three percent (33.33%) of the share capital of the Company. The Board of Directors shall suspend any right to vote or to receive dividends or any other kind of distributions attached to common shares acquired in breach of the provisions of article 8.2.1 and none of these common shares shall be counted in determining the presence of a quorum at any meeting of shareholders of the Company, until such common shares are sold. In addition, if the terms of article 8.2.1 hereof are not complied with, the Company may consider any transfer of common shares acquired in breach of the provisions of article 8.2.1 to be invalid in which case none of the Company, any registrar or Depository shall enter such transfer into the relevant registers and books of the Company.

8.2.3 If a holder of any financial instrument convertible into common shares contemplating an Intended Acquisition fails to comply with the terms of article 8.2.1 hereof, the Board of Directors may refuse the conversion into common shares of the portion of any such convertible instruments which, if converted, would result in that person becoming the holder of common shares in the reach or in excess of the Threshold.

8.2.4 For the purposes of this article 8.2, the term "indirectly" shall include the Bidder's parent companies, the companies controlled by the Bidder or that would end up under its control as a consequence of any Takeover, Takeover Bid or Prior Agreement, as the case may be, that would grant at the same time the control of the Company, the companies submitted to the common control of the Bidder and other persons acting jointly with the Bidder; likewise, the holdings any person has through trusts or other similar mechanisms shall be included.

C. GENERAL MEETING OF SHAREHOLDERS

Article 9 Powers of the general meeting of shareholders

The shareholders exercise their collective rights in the general meeting of shareholders. Any regularly constituted general meeting of shareholders of the Company represents the entire body of shareholders of the Company. It shall have the broadest powers to authorize, order, carry out or ratify acts relating to the Company.

Article 10 Convening general meetings of shareholders

10.1 The general meeting of shareholders of the Company may at any time be convened by the board of directors, to be held at such place and on such date as specified in the convening notice of such meeting.

10.2 The general meeting of shareholders must be convened by the board of directors, upon request in written indicating the agenda, addressed to the board of directors by one or several shareholders representing at least ten percent (10%) of the Company's issued share capital. In such case, a general meeting of shareholders must be convened and shall be held within a period of one (1) month from receipt of such request. Shareholder(s) holding at least five percent (5%) of the Company's issued share capital may request the addition of one or several items to the agenda of any general meeting of shareholders and propose resolutions. Such requests must be received at the Company's registered office by registered mails at least twenty-two (22) days before the date of such meeting.

10.3 The annual general meeting of shareholders shall be held within six (6) months of the end of each financial year in Luxembourg, at the registered office of the Company or at such other place as may be specified in the convening notice of such meeting.

10.4 Other general meetings of shareholders may be held at such place and time as may be specified in the respective notice of meeting.

10.5 General meetings of shareholders shall be convened in accordance with the provisions of the Law and if the common shares of the Company are listed on a foreign stock exchange, in accordance with the requirements of such foreign stock exchange applicable to the Company.

10.6 If the common shares of the Company are not listed on any foreign stock exchange, all shareholders recorded in the register of shareholders on the date of the general meeting of the shareholders are entitled to be admitted to the general meeting of shareholders.

10.7 If the common shares of the Company are listed on a stock exchange, all shareholders recorded in any register of shareholders of the

Company are entitled to be admitted and vote at the general meeting of shareholders based on the number of shares they hold on a date and time preceding the general meeting of shareholders as the record date for admission to the general meeting of shareholders (the "Record Date"), which the board of directors may determine as specified in the convening notice.

10.8 Any shareholder, Holder or Depositary, as the case may be, who wishes to attend the general meeting must inform the Company thereof no later than on the third business day preceding the date of such general meeting, or by any other date which the board of directors may determine and as specified in the convening notice, in a manner to be determined by the board of directors in the convening notice. In case of common shares held through the operator of a securities settlement system or with a Depositary designated by such Depositary, a holder of common shares wishing to attend a general meeting of shareholders should receive from such operator or Depositary a certificate certifying the number of common shares recorded in the relevant account on the Record Date. The certificate should be submitted to the Company no later than three (3) business days prior to the date of such general meeting. If the shareholder votes by means of a proxy, the proxy shall be deposited at the registered office of the Company or with any agent of the Company, duly authorized to receive such proxies, at the same time. The board of directors may set a shorter period for the submission of the certificate or the proxy in which case this will be specified in the convening notice.

10.9 If all shareholders are present or represented at a general meeting of shareholders and state that they have been informed of the agenda of the meeting, the general meeting of shareholders may be held without prior notice.

Article 11 Conduct of general meetings of shareholders

11.1 A board of the meeting shall be formed at any general meeting of shareholders, composed of a chairman, a secretary and a scrutineer, each of whom shall be appointed by the general meeting of shareholders and who do not need to be shareholders. The board of the meeting shall ensure that the meeting is held in accordance with applicable rules and, in particular, in compliance with the rules in relation to convening the meeting, quorum, if any, and majority requirements, vote tallying and representation of shareholders.

11.2 An attendance list must be kept for any general meeting of shareholders.

11.3 Each common share entitles the holder thereof to one vote, subject to the provisions of the Law. Unless otherwise required by applicable law or by these articles of association, resolutions at a general meeting of shareholders duly convened are adopted by a simple majority of the votes validly cast, regardless of the proportion of the issued share capital of the Company present or represented at such meeting. Abstention and nil votes will not be taken into account.

11.4 A shareholder may act at any general meeting of shareholders by appointing another person, shareholder or not, as his proxy in writing by a signed document transmitted by mail or facsimile or by any other means of communication authorized by the board of directors. One person may represent several or even all shareholders.

11.5 Shareholders who participate in a general meeting of shareholders by conference call, video-conference or by any other means of communication authorized by the board of directors, which allows such

shareholder's identification and which allows that all the persons taking part in the meeting hear one another on a continuous basis and may effectively participate in the meeting, are deemed to be present for the computation of quorum and majority, subject to such means of communication being made available at the place of the meeting.

11.6 Each shareholder may vote at a general meeting of shareholders through a signed voting form sent by mail or facsimile or by any other means of communication authorized by the board of directors and delivered to the Company's registered office or to the address specified in the convening notice. The shareholders may only use voting forms provided by the Company which contain at least the place, date and time of the meeting, the agenda of the meeting, the proposals submitted to the resolution of the meeting, as well as for each proposal three boxes allowing the shareholder to vote in favor of or against the proposed resolution or to abstain from voting thereon by ticking the appropriate boxes. The Company will only take into account voting forms received no later than three (3) business days prior to the date of the general meeting of shareholders to which they relate. The board of directors may set a shorter period for the submission of the voting forms.

11.7 The board of directors may determine further conditions that must be fulfilled by the shareholders for them to take part in any general meeting of shareholders.

Article 12 Amendments of the articles of association

Subject to the provisions of the Law and of these articles of association, any amendment of the articles of association requires a majority of at least two-thirds (2/3) of the votes validly cast at a general meeting at which at least half (1/2) of the issued share capital is represented. In case the second condition is not satisfied, a second meeting may be convened in accordance with the Law, which may validly deliberate regardless of the proportion of the issued share capital of the Company represented at such meeting and at which resolutions are taken at a majority of at least two-thirds (2/3) of the votes validly cast. Abstention and nil votes will not be taken into account for the calculation of the majority.

Article 13 Adjourning general meetings of shareholders

The board of directors may adjourn any general meeting of shareholders already commenced, including any general meeting convened in order to resolve on an amendment of the articles of association, for a period of four (4) weeks. The board of directors must adjourn any general meeting of shareholders already commenced if so required by one or several shareholders representing in the aggregate at least twenty per cent (20%) of the Company's issued share capital. By such an adjournment of a general meeting of shareholders already commenced, any resolution already adopted in such meeting will be cancelled. For the avoidance of doubt, once a meeting has been adjourned pursuant to the second sentence of this article 13, the board of directors shall not be required to adjourn such meeting a second time.

Article 14 Minutes of general meetings of shareholders

The board of any general meeting of shareholders shall draw up minutes of the meeting which shall be signed by the members of the board of the meeting as well as by any shareholder who requests to do so. Any copy and excerpt of such original minutes to be produced in judicial proceedings or to be delivered to any third party shall be signed by the

chairman or the co-chairman of the board of directors or by any two of its members.

D. MANAGEMENT Article 15 Board of directors

15.1 The Company shall be managed by a board of directors, whose members may but do not need to be shareholders of the Company. The board of directors is vested with the broadest powers to take any actions necessary or useful to fulfill the Company's corporate purpose, with the exception of the actions reserved by law or these articles of association to the general meeting of shareholders.

15.2 In accordance with article 60 of the Law, the Company's daily management and the Company's representation in connection with such daily management may be delegated to one or several members of the board of directors or to any other person(s) appointed by the board of directors, who may but are not required to be shareholders or not, acting alone or jointly. Their appointment, revocation and powers shall be determined by a resolution of the board of directors.

15.3 The board of directors may also grant special powers by notarized proxy or private instrument to any person(s) acting alone or jointly with others as agent of the Company.

15.4 The board of directors is composed of a minimum of seven (7) directors and a maximum of fifteen (15) directors. The board of directors must choose from among its members a chairman of the board of directors. It may also choose a co-chairman and it may choose a secretary, who does not need to be a shareholder or a member of the board of directors.

Article 16 Election and removal of directors and term of the

office

16.1 Directors shall be elected by the general meeting of shareholders, and shall be appointed for a period up to four (4) years; provided however that directors shall be elected on a staggered basis, with one third (1/3) of the directors being elected each year and; provided, further that such term may be exceeded by a period up to the annual general meeting held following the fourth anniversary of the appointment. Each elected director shall hold office until his or her successor is elected. If a legal entity is elected director of the Company, such legal entity must designate an individual as permanent representative who shall execute this role in the name and for the account of the legal entity. The relevant legal entity may only remove its permanent representative if it appoints a successor at the same time. An individual may only be a permanent representative of one director and may not be a director at the same time.

16.2 Any director may be removed at any time without cause or prior notice by the general meeting of shareholders.

16.3 Directors shall be eligible for re-election indefinitely.

16.4 If a vacancy in the office of a member of the board of directors because of death, legal incapacity, bankruptcy, retirement or otherwise occurs, such vacancy may be filled on a temporary basis by a person designated by the remaining board members until the next general meeting of shareholders, which shall resolve on a permanent appointment.

Article 17 Convening meetings of the board of directors

17.1 The board of directors shall meet following notice validly given by the chairman or by any two (2) of its members at the place indicated in the notice of the meeting as described in the next paragraph.

17.1 Written notice of any meeting of the board of directors must be given to the directors at least five (5) days in advance of the date scheduled for the meeting by mail, facsimile, electronic mail or any other means of communication, except in case of emergency, in which case the nature and the reasons of such emergency must be indicated in the notice. Such convening notice is not necessary in case of assent to waive such requirement of each director in writing by mail, facsimile, electronic mail or by any other means of communication, a copy of such document being sufficient proof thereof. Also, a convening notice is not required for a board meeting to be held at a time and location determined in a prior resolution adopted by the board of directors. No convening notice shall furthermore be required in case all members of the board of directors are present or represented at a meeting of the board of directors or in the case of resolutions in writing pursuant to these articles of association.

Article 18 Conduct of meetings of the board of directors

18.1 The chairman of the board of directors shall preside at all meetings of the board of directors. In the absence of the chairman, the board of directors may appoint another director as chairman pro tempore.

18.2 The board of directors can act and deliberate validly only if at least the majority of its members are present or represented at a meeting of the board of directors.

18.3 Resolutions are adopted with the approval of a majority of the members present or represented at a meeting of the board of directors. In case of a tie, the chairman of the board of directors shall have a casting (deciding) vote. In the absence of the chairman of the board of directors, the director who has been appointed as chairman pro tempore of the meeting shall not have a casting (deciding) vote.

18.4 Any director may act at any meeting of the board of directors by appointing any other director as proxy in writing by mail, facsimile, electronic mail or by any other means of communication. Any director may represent one or several other directors.

18.5 Any director who participates in a meeting of the board of directors by conference-call, videoconference or by any other means of communication which allows such director's identification and which allows that all the persons taking part in the meeting hear one another on a continuous basis and may effectively participate in the meeting, is deemed to be present for the computation of quorum and majority. A meeting of the board of directors held through such means of communication is deemed to be held at the Company's registered office.

18.6 The board of directors may unanimously pass resolutions in writing which shall have the same effect as resolutions passed at a meeting of the board duly convened and held. Such resolutions in writing are passed when dated and signed by all directors on a single document or on multiple counterparts, a copy of a signature sent by mail, facsimile or a similar means of communication being sufficient proof thereof. The single document showing all signatures or the entirety of the signed counterparts, as the case may be, will form the instrument giving evidence of the passing of the resolutions and the date of the resolutions shall be the date of the last signature.

18.7 The secretary or, if no secretary has been appointed, the chairman which was present at a meeting, shall draw up minutes of the meeting of the board of directors, which shall be signed by the chairman or by the secretary, as the case may be, or by any two directors.

Article 19 Committees of the board of directors

The board of directors may establish one or more committees, including without limitation, an audit committee, a nominating and corporate governance committee and a compensation committee, and for which it shall, if one or more of such committees are set up, appoint the members who may be but do not need to be members of the board of directors (subject always, if the common shares of the Company are listed on a foreign stock exchange, to the requirements of such foreign stock exchange applicable to the Company and/or of such regulatory authority competent in relation to such listing), determine the purpose, powers and authorities as well as the procedures and such other rules as may be applicable thereto.

Article 20 Dealings with third parties

The Company will be bound towards third parties in all circumstances by (i) the sole signature of the chairman of the board of directors, (ii) joint signatures of any two directors or (iii) by the joint signatures or the sole signature of any person(s) to whom such signatory power has been granted by the board of directors, within the limits of such authorization.

With respect to matters that constitute daily management of the Company, the Company will be bound towards third parties by the sole signature of (i) the *administrateur délégué* or *délégué à la gestion journalière* ("**Chief Executive Officer**" or "**CEO**"), (ii) the *directeur financier* ("**Chief Financial Officer**" or "**CFO**") or (iii) any other person(s) to whom such power in relation to the daily management of the Company has been delegated in accordance with article 15 hereof, acting alone or jointly in accordance with the rules of such delegation, if any has(ve) been appointed.

Article 21 Indemnification

21.1 The members of the board of directors are not held personally liable for the indebtedness or other obligations of the Company. As agents of the Company, they are responsible for the performance of their duties. Subject to the exceptions and limitations listed in article 21.2 and mandatory provisions of law, every person who is, or has been, a member of the board of directors or officer of the Company shall be indemnified by the Company to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding which he becomes involved as a party or otherwise by virtue of his being or having been such a director or officer and against amounts paid or incurred by him in the settlement thereof. The words "claim", "action", "suit" or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal or otherwise including appeals) actual or threatened and the words "liability" and "expenses" shall include without limitation attorneys' fees, costs, judgments, amounts paid in settlement and other liabilities.

21.2 No indemnification shall be provided to any director or officer

(i) against any liability to the Company or its shareholders by reason of willful misconduct, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office (ii) with respect to any matter as to which he shall have been finally adjudicated to have acted in bad faith and not in the interest of the Company or (iii) in the event of a settlement, unless the settlement has been approved by a court of competent jurisdiction or by the board of directors.

21.3 The right of indemnification herein provided shall be severable, shall not affect any other rights to which any director or officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer and shall inure to the benefit of the heirs,

executors and administrators of such a person. Nothing contained herein shall affect or limit any rights to indemnification to which corporate personnel, including directors and officers, may be entitled by contract or otherwise under law. The Company shall specifically be entitled to provide contractual indemnification to and may purchase and maintain insurance for any corporate personnel, including directors and officers of the Company, as the Company may decide upon from time to time.

21.4 Expenses in connection with the preparation and representation of a defense of any claim, action, suit or proceeding of the character described in this article 21 shall be advanced by the Company prior to final disposition thereof upon receipt of any undertaking by or on behalf of the officer or director, to repay such amount if it is ultimately determined that he is not entitled to indemnification under this article.

Article 22 Conflicts of interest

22.1 Any director who has, directly or indirectly, a conflicting interest in a transaction submitted to the approval of the board of directors which conflicts with the Company's interest, must inform the board of directors of such conflict of interest and must have his declaration recorded in the minutes of the board meeting. The relevant director may not take part in the discussions on and may not vote on the relevant transaction. A special report shall be made on any transactions in which any of the directors may have had an interest conflicting with that of the Company, at the next general meeting, before any resolution is put in vote.

22.2 No contract or other transaction between the Company and any other company or firm shall be affected or invalidated by the fact that any one or more of the directors or officers of the Company is interested in, or is a director, associate, officer, agent, adviser or employee of such other company or firm. Any director or officer who serves as a director, officer or employee or otherwise of any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm only, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

E. AUDITORS Article 23 Auditor(s)

23.1 The Company's annual accounts shall be audited by one or more approved independent auditors (*réviseurs d'entreprises agréés*), appointed by the general meeting of shareholders at the board of directors' recommendation (acting on the recommendation of the audit committee, if any). The general meeting of shareholders shall determine the number of auditor(s) and the term of their office which shall not exceed one (1) year and may be renewed for successive one (1) year periods.

23.2 An auditor may be dismissed at any time with cause (or with his approval) by the general meeting of shareholders. An auditor may be reappointed.

F. FINANCIAL YEAR – PROFITS – INTERIM DIVIDENDS Article 24 Financial year

The Company's financial year shall begin on the first (1) January of each year and shall terminate on the thirty-first (31st) December of the same year.

Article 25 Profits

25.1 At the end of each financial year, the accounts are closed and the board of directors shall draw up or shall cause to be drawn up an inventory of assets and liabilities, the balance sheet and the profit and loss accounts in accordance with the Law.

25.2 From the Company's annual net profits five per cent (5%) at least shall be allocated to the Company's legal reserve. This allocation ceases to be mandatory as soon and as long as the aggregate amount of the Company's legal reserve amounts to ten per cent (10%) of the Company's issued share capital. Sums contributed to the Company by shareholders may also be allocated to the legal reserve. In the case of a share capital reduction, the Company's legal reserve may be reduced in proportion so that it does not exceed ten per cent (10%) of the issued share capital.

25.3 The annual general meeting of shareholders determines upon proposal of the board of directors how the remainder of the annual net profits will be allocated.

25.4 Dividends which have not been claimed within five (5) years after the date on which they became due and payable revert back to the Company.

Article 26 Interim dividends – Share premium and additional premiums

26.1 The board of directors may declare and pay interim dividends in accordance with the provisions of the Law.

26.2 Any share premium, additional premiums or other distributable reserve may be freely distributed to the shareholders (including by interim dividends) subject to the provisions of the Law.

G. LIQUIDATION Article 27 Liquidation

27.1 In the event of the Company's dissolution, the liquidation shall be carried out by one or several liquidators, individuals or legal entities, appointed by the general meeting of shareholders resolving on the Company's dissolution which shall determine the liquidator's/liquidators' powers and remuneration. Unless otherwise provided, the liquidator or liquidators shall have the most extensive powers for the realization of the assets and payment of the liabilities of the Company.

27.2 The surplus resulting from the realization of the assets and the payment of all liabilities shall be distributed among the shareholders in proportion to the number of common shares of the Company held by them.

H. GOVERNING LAW Article 28 Governing law

All matters not governed by these articles of association shall be determined in accordance with the Law.

SUIT LA TRADUCTION FRANÇAISE DE CE QUI PRECEDE

A. DENOMINATION - OBJET - DURÉE - SIÈGE SOCIAL Article 1. Dénomination

Il existe une société anonyme sous la dénomination « **GLOBANT**

S.A. » (ci-après la « **Société** ») qui sera régie par la loi du 10 août 1915 sur les sociétés commerciales, telle que modifiée (la « **Loi** »), ainsi que par les présents statuts.

Article 2. Durée

La Société est constituée pour une durée illimitée. Elle pourra être dissoute à tout moment et sans cause par une décision de l'assemblée générale des actionnaires, prise aux conditions requises pour une modification des présents statuts.

Article 3. Objet

3.1 La Société a pour objet principal la création, la détention, le développement et la réalisation d'un portefeuille, constitué de participations et de droits de toute nature et de toute autre forme d'investissement dans des entités dans le Grand-Duché de Luxembourg et dans des entités étrangères, que ces entités soient préexistantes ou qui seront constituées, notamment par voie de souscription, d'acquisition par achat, de cession ou d'échange de titres ou de droits de quelque nature que ce soit, tels que des titres de participation, des titres de créance, des brevets et des licences, ainsi que la gestion et le contrôle de ce portefeuille.

3.2 La Société peut également accorder toute forme de garantie pour l'exécution de toute obligation de la Société ou de toute entité dans laquelle elle détient une participation ou droit direct ou indirect de toute nature, ou dans laquelle la Société a investi sous quelque forme que ce soit, ou qui fait partie du même groupe d'entités que la Société et prêter des fonds ou assister autrement toute entité dans laquelle elle détient une participation ou droit direct ou indirect de toute nature ou dans laquelle la Société a investi sous quelque forme que ce soit, ou qui fait partie du même groupe d'entités que la Société.

3.3 La Société peut emprunter sous toute forme et émettre toute sorte d'obligations ainsi que, de manière générale émettre toute sorte de titres de créance, de titres de participation et/ou de titres hybrides ou autres conformément au droit luxembourgeois.

3.4 La Société pourra exercer toute activité commerciale, industrielle, financière, immobilière, technique, de propriété intellectuelle ou d'autres activités qu'elle estimera utiles pour l'accomplissement de ces objets.

Article 4. Siège social

4.1 Le siège social de la Société est établi dans la ville de Luxembourg, Grand-Duché de Luxembourg. Le siège social pourra être transféré au sein de la même commune par décision du conseil d'administration.

4.2 Il pourra être transféré dans toute autre commune du Grand- Duché de Luxembourg par décision de l'assemblée générale des actionnaires.

4.3 Des succursales ou bureaux peuvent être créés, tant au Grand- Duché de Luxembourg qu'à l'étranger, par décision du conseil d'administration.

B. CAPITAL SOCIAL – ACTIONS – REGISTRE DES ACTIONS – PROPRIETE ET TRANSFERT DES ACTIONS

Article 5. Capital social

5.1. Le capital social est fixé à **cinquante millions deux cent soixante-neuf mille soixante-seize US dollars et quarante cents (USD 50.269.076,40)** et est représenté par quarante-et-un million huit cent quatre- vingt-dix mille huit cent quatre-vingt-dix-sept (41,890,897) actions ordinaires d'une valeur nominale d'un US dollar et vingt cents (USD 1,20) chacune.

5.2 Le capital social émis de la Société peut être (i) augmenté par une décision du conseil d'administration (ou d'un délégué de celui-ci) conformément aux articles 6.1 et 6.2 des présents statuts ou (ii) augmenté

ou réduit par une décision de l'assemblée générale des actionnaires, adoptée selon les conditions requises pour une modification des présents statuts.

Article 6. Capital autorisé

6.1 Le capital autorisé de la Société, excluant le capital social émis, est fixé à un montant de **trois millions quarante-deux mille neuf cent vingt-deux US dollars et quatre-vingt cents (USD 3.042.922,80)** divisé en deux millions cinq cent trente-cinq mille sept cent soixante-neuf (2.535.769) actions ordinaires ayant une valeur nominale d'un US dollar et vingt cents (USD 1,20) chacune.

6.2 Le conseil d'administration est autorisé à émettre des actions ordinaires, à accorder des options de souscription d'actions ordinaires et à émettre tous autres instruments convertibles en, ou donnant droit à des, actions ordinaires dans la limite du capital social autorisé au profit de personnes et dans les conditions qu'il jugera opportunes, et plus précisément de procéder à une telle émission ou de telles émissions sans qu'un droit préférentiel de souscription aux actions nouvelles ne soit réservé aux actionnaires existants pour une période commençant à la date de l'assemblée générale extraordinaire des actionnaires du 3 avril 2020 et se terminant au cinquième (5e) anniversaire de la date de l'assemblée générale extraordinaire des actionnaires du 3 avril 2020. Ces actions peuvent être émises à une valeur excédant ou en-deçà de la valeur du marché, au-dessus de ou à la valeur nominale ou par incorporation de réserves disponibles (y compris la prime d'émission). L'assemblée générale a expressément autorisé le conseil d'administration à renoncer, supprimer ou limiter tous droits préférentiels de souscription d'actionnaires dans la mesure où ce dernier jugera cette renonciation, suppression ou limitation opportune pour toute émission ou émissions d'actions ordinaires dans la limite du capital social autorisé (non-émis) de la Société. Cette autorisation peut être renouvelée, modifiée ou prolongée par une décision de l'assemblée générale des actionnaires adoptée aux conditions requises pour la modification des statuts. Après une émission d'actions dans le cadre du capital social autorisé, le conseil d'administration veillera à ce que les présents statuts soient modifiés en conséquence.

6.3 Le capital autorisé (non-émis) de la Société peut être augmenté ou réduit par une décision de l'assemblée générale des actionnaires, adoptée aux conditions requises pour la modification des statuts.

Article 7. Actions

7.1 Le capital social de la Société est divisé en actions ordinaires ayant chacune la même valeur nominale. Les actions ordinaires de la Société sont et devront être uniquement sous forme nominative.

7.2 La Société peut avoir un ou plusieurs actionnaires.

7.3 Aucune fraction d'actions ordinaires ne peut exister ou être émise.

7.4 Dans les limites et dans les conditions définies par la Loi, la Société peut racheter ses propres actions et les conserver.

7.5 Un registre des actions ordinaires sera tenu par la Société et mis à disposition aux fins de vérification par tout actionnaire. La propriété des actions nominatives sera établie par l'inscription sur ledit registre ou dans le cas où des teneurs de registres séparés ont été nommés conformément à l'article 7.6, dans ce(s) registre(s) séparé(s). Sans préjudice des conditions de transfert par inscriptions prévues à l'article 7.8 de ces statuts, un transfert d'actions nominatives devra être effectué au moyen d'une déclaration de transfert inscrite dans le registre concerné, datée et signée par le cédant et

le cessionnaire ou par leurs représentants dûment autorisés ou par la Société suite à la notification de la cession ou de l'acceptation de la cession par la Société. La Société peut accepter et inscrire un transfert dans le registre approprié sur la base d'une correspondance ou de tout autre document actant un accord entre le cédant et le cessionnaire.

7.6 La Société peut nommer des teneurs de registre dans différentes juridictions qui tiendront chacun un registre séparé pour les actions nominatives y inscrites et les détenteurs d'actions ordinaires pourront choisir d'être inscrits dans l'un des registres et d'être transférés au fil du temps d'un registre à un autre registre. Le conseil d'administration peut toutefois imposer des restrictions au transfert pour les actions ordinaires inscrites, cotées, traitées ou placées dans certaines juridictions conformément aux exigences applicables dans ces juridictions. Un transfert vers le registre tenu au siège social de la Société peut toujours être demandé.

7.7 Sous réserve des dispositions de l'article 7.8 et l'article 7.10, la Société peut considérer la personne au nom de laquelle les actions nominatives sont inscrites dans le registre des actionnaires comme étant le propriétaire unique desdites actions nominatives. Dans le cas où un détenteur d'actions nominatives ne fournit pas d'adresse à laquelle toutes les notifications et avis de la Société pourront être envoyés, la Société pourra inscrire ce fait dans le registre des actionnaires et l'adresse de ce détenteur sera considérée comme étant au siège social de la Société ou à tout autre adresse que la Société pourra inscrire au fil du temps jusqu'à ce que ce détenteur ait fourni par écrit une adresse différente à la Société. Le détenteur peut, à tout moment, changer son adresse telle qu'elle figure dans le registre des actionnaires au moyen d'une notification écrite à envoyer à la Société.

7.8 Les actions ordinaires peuvent être tenues par un porteur (le «Porteur») à travers un système de compensation ou d'un Dépositaire (tel que ce terme est défini ci-dessous). Le Porteur d'actions ordinaires détenues dans ces comptes de titres fongibles a les mêmes droits et obligations que si ce Porteur détenait directement les actions ordinaires. Les actions ordinaires détenues au travers d'un système de compensation ou d'un Dépositaire doivent être consignées dans un compte ouvert au nom du Porteur et peuvent être transférées d'un compte à un autre, conformément aux procédures habituelles pour le transfert de titres sous forme d'inscription en compte. Toutefois, la Société versera les dividendes, s'il y en a, ainsi que tout autre paiement en espèces, actions ou autres titres, s'il y en a, uniquement au profit du système de compensation ou du Dépositaire inscrits dans le registre des actionnaires ou conformément aux instructions de ce système de compensation ou Dépositaire. Ce paiement déchargera complètement la Société de ses obligations à cet égard.

7.9 Dans le cadre d'une assemblée générale, le conseil d'administration peut décider qu'aucune entrée ne soit faite dans le registre des actionnaires et aucun avis de transfert ne soit reconnu par la Société et le(s) teneur(s) de registre durant la période commençant à la Date d'Inscription (telle que définie ci-après) et se terminant à la clôture de cette assemblée générale.

7.10 Toutes les communications et avis à donner à un actionnaire inscrit sont réputés valablement faits s'ils sont faits à la dernière adresse communiquée par l'actionnaire à la Société conformément à l'article 7.7 ou, si aucune adresse n'a été communiquée par l'actionnaire, le siège social de la Société ou à une autre adresse qui pourra être inscrite par la Société dans le registre au fil du temps conformément à l'article 7.8.

7.11 Lorsque les actions ordinaires sont enregistrées dans le registre des actionnaires au nom et pour le compte d'un système de compensation ou de l'opérateur d'un tel système et enregistré comme entrée dans les comptes d'un dépositaire professionnel ou d'un sous-dépositaire (tout dépositaire et sous-dépositaire désigné ci-après comme un «**Dépositaire**»), la Société – sous réserve d'avoir reçu du Dépositaire un certificat en bonne et due forme – permettra au Dépositaire de telles entrées en compte d'exercer les droits attachés aux actions ordinaires correspondant aux entrées en compte du Porteur concerné, y compris de recevoir les convocations aux assemblées générales, l'admission et le vote aux assemblées générales et doit considérer le Dépositaire comme étant le Porteur des actions ordinaires correspondant aux entrées en compte aux fins du présent article 7 des présents statuts. Le conseil d'administration peut déterminer les conditions de forme auxquelles devront répondre ces certificats.

Article 8 Propriété des actions

8.1 La Société ne reconnaît qu'un seul (1) titulaire par action ordinaire. Si une action ordinaire est détenue par plusieurs personnes, elles devront désigner une personne qui sera considérée comme seule propriétaire de cette action ordinaire vis-à-vis de la Société. La Société aura le droit de suspendre l'exercice de tous les droits attachés à une action ordinaire détenue par plusieurs personnes, jusqu'à ce qu'un (1) propriétaire ait été désigné.

8.2 Les actions ordinaires sont librement cessibles, sauf disposition contraire des présents statuts. Tous les droits et obligations attachés à une action ordinaire seront transférés à tout cessionnaire sous réserve d'une disposition contraire des présents statuts.

8.2.1 Tant que les actions ordinaires de la Société sont admises à la négociation sur un marché réglementé (au sens de la directive 2014/65/UE) sur le territoire de l'Espace Economique Européen (le "**Marché Réglementé**"), les dispositions de la directive 2004/25/CE sur les offres publiques d'acquisition s'appliquent dans le cadre de toute prise de contrôle portant sur les actions ordinaires de la Société.

Si les actions ordinaires ne sont plus admises à la négociation sur un Marché Réglementé, les règles suivantes s'appliqueront dans le cadre de toute prise de contrôle portant sur les actions ordinaires de la Société.

Toute personne (cette personne étant ci-après appelée l' "**Offrant**") qui désire acquérir par quelque moyen que ce soit (y compris, mais sans s'y limiter, la conversion de tout instrument financier convertible en actions ordinaires), directement ou indirectement, des actions ordinaires ("**Acquisition Envisagée**") qui, une fois ses actions ordinaires existantes regroupées avec les actions détenues par une personne contrôlant l'Offrant, contrôlée par l'Offrant et/ou sous contrôle commun avec l'Offrant, représentent au moins trente-trois virgule trente-trois pour cent (33,33%) du capital social de la Société (le "**Seuil**"), aura l'obligation de proposer une offre inconditionnelle d'acquisition pour acquérir la totalité des actions ordinaires alors en circulation ainsi que tout instrument financier convertible en actions ordinaires ("**Offre Publique d'Acquisition**"). Chaque Offre Publique d'Acquisition sera menée conformément à la procédure stipulée aux points

(i) à (vii) du présent article (la "**Procédure d'Offre Publique d'Acquisition**") et sera également menée dans le respect de et en conformité avec les lois et règlements des juridictions dans lesquelles les actions ordinaires ou autres titres de la Société sont cotés et/ou dans lesquelles l'Offre Publique

d'Acquisition a lieu et les règles des bourses où sont cotées les actions ordinaires de la Société (afin d'éviter tout doute, hors tout Marché Réglementé), dans chaque cas, applicables aux offres publiques (collectivement, les "**Règles Applicables**"), étant entendu que, dans la mesure où de telles exigences imposeraient à l'Offrant des règles ou réglementations plus strictes, ces règles et réglementations plus strictes devront être respectées par l'Offrant.

(i) L'Offrant notifiera par écrit à la Société l'Acquisition Envisagée et l'Offre Publique d'Acquisition (la "**Notification d'Offre**"), au moins quinze (15) jours ouvrables luxembourgeois (ou tout autre délai plus court requis par les Règles Applicables) avant la date de son commencement (cette date de notification, la "**Date de la Notification d'Offre**"). Une Notification d'Offre sera également requise pour tout accord ou tout protocole d'entente que l'Offrant a l'intention de conclure avec un détenteur d'actions ordinaires et/ou d'instruments financiers convertibles en actions ordinaires aux termes duquel, dans certaines circonstances, en raison de cet accord ou protocole d'entente, l'Offrant deviendrait le détenteur d'actions ordinaires résultant dans l'atteinte du Seuil ou son dépassement (ci-après appelé "**Accord Préalable**"). En plus de se conformer aux Règles Applicables, la Notification d'Offre devra comprendre les renseignements minimaux suivants, sous réserve de l'insertion de tout renseignement supplémentaire qui pourrait être exigé en vertu des Règles Applicables : (A) L'identification, la nationalité et le domicile de l'Offrant. Si l'Offrant est composé d'un groupe de personnes physiques ou morales, l'identification et le domicile de chaque membre du groupe et du directeur général de chaque entité faisant partie du groupe ; (B) la contrepartie offerte pour les actions ordinaires et les instruments financiers convertibles en actions ordinaires et la source des fonds pour payer cette contrepartie. (C) La date d'expiration prévue de la période de l'Offre Publique d'Acquisition, si elle peut être prolongée et, dans l'affirmative, quelle peut être la durée de la prolongation et selon quelle procédure cette prolongation doit être effectuée ; (D) Une déclaration de l'Offrant indiquant les dates exactes avant et après lesquelles les détenteurs d'actions ordinaires et d'instruments financiers convertibles en actions ordinaires, qui ont valablement offert leurs actions ordinaires et/ou leurs instruments financiers convertibles en actions ordinaires dans le cadre du régime de l'Offre d'Achat, auront le droit de les retirer, la manière selon laquelle les actions ordinaires et les instruments financiers convertis en actions ordinaires ainsi offerts seront acceptés ainsi que la manière dont le retrait des actions ordinaires et des instruments financiers convertis en actions ordinaires des ventes effectuées dans le cadre de l'Offre doit être effectué ; (E) Toute information supplémentaire, y compris les états financiers ou comptables de l'Offrant, que la Société pourrait raisonnablement demander ou qui pourrait être nécessaire afin d'éviter que la Notification d'Offre ci-dessus ne mène à des conclusions erronées ou lorsque l'information soumise est incomplète ou insuffisante.

(ii) À la Date de Notification d'Offre, la Société enverra par courrier à chaque détenteur d'actions ordinaires et d'instruments financiers convertibles en actions ordinaires, aux frais de l'Offrant, un exemplaire de la Notification d'Offre. Dans le cas des détenteurs nominatifs d'actions ordinaires et/ou d'instruments financiers convertibles en actions ordinaires, la Notification d'Offre sera envoyée par courrier recommandé et, dans le cas des actions ordinaires et des instruments financiers convertibles en actions

ordinaires détenus dans un compte de courtage, la Notification d'Offre sera envoyée aux courtiers concernés par l'entremise de l'agent dépositaire.

(iii) A la Date de la Notification d'Offre, l'Offrant devra publier un avis contenant les informations mentionnées au paragraphe (i). Sous réserve des dispositions légales applicables, la Notification d'Offre sera publiée dans deux (2) grands journaux du Grand-Duché de Luxembourg et dans la ville de New York, États-Unis, ou dans un délai plus long si les lois applicables le requièrent.

iv) La contrepartie pour chaque action ordinaire et chaque instrument financier convertible en actions ordinaires payable à chaque détenteur devra être la même, devra être payable en espèces seulement et ne devra pas être inférieure au plus élevé des prix suivants :

(A) le prix le plus élevé par action ordinaire et instrument financier convertible en actions ordinaires payé par l'Offrant, ou pour son compte, relativement à toute acquisition d'actions ordinaires et aux instruments financiers convertibles en actions ordinaires au cours de la période de douze mois précédant immédiatement la Notification d'Offre, ajusté par suite d'une division des actions, d'un dividende en actions, d'un fractionnement ou d'un reclassement touchant les actions ordinaires et/ou les instruments financiers convertibles en actions ordinaires ; ou

(B) le cours de clôture le plus élevé, au cours de la période de soixante jours précédant immédiatement la Notification l'Offre, d'une action ordinaire de la Société cotée à la Bourse de New York, dans chaque cas ajusté par suite d'une division d'actions, d'un dividende en actions, d'un fractionnement ou d'une reclassification touchant ou lié aux actions ordinaires et à un instrument financier convertible en actions ordinaires.

(v) L'Offre Publique d'Acquisition sera ouverte pendant une période minimale d'au moins vingt (20) jours ouvrables luxembourgeois à compter de la date à laquelle l'Offre Publique d'Acquisition aura été introduite.

(vi) L'Offrant devra acquérir toutes les actions ordinaires et tous les instruments financiers convertibles en actions ordinaires qui seront valablement offerts (et non retirés) avant la date d'expiration de l'Offre Publique d'Acquisition conformément aux dispositions des présents statuts régissant les Offres Publiques d'Acquisition.

(vii) Une fois la procédure d'Offre Publique d'Acquisition terminée, l'Offrant pourra signer l'Accord Préalable, s'il y en a un, quel que soit le nombre d'actions ordinaires et d'instruments financiers convertibles en actions ordinaires acquises. L'Accord Préalable, le cas échéant, sera signé dans les trente (30) jours suivant la clôture de l'Offre Publique d'Acquisition

; dans le cas contraire, il sera nécessaire de répéter la procédure d'Offre Publique d'Acquisition prévue au présent article afin de signer l'Accord Préalable.

8.2.2 Si les termes de l'article 8.2.1 ne sont pas respectés, il sera interdit à l'Offrant d'acquérir des actions ordinaires, directement ou indirectement, par quelque moyen que ce soit (y compris, mais sans s'y limiter, la conversion de tout instrument financier convertible en actions ordinaires) ou instrument si, en conséquence de cette acquisition, l'Offrant (lorsqu'il est regroupé avec les actions détenues par une personne qui contrôle l'Offrant, contrôlée par l'Offrant et/ou sous le contrôle commun de l'Offrant) deviendrait le détenteur d'actions ordinaires qui, en plus de ses détentions préexistantes, représenteraient au total au moins trente-trois virgule trente-trois pour cent (33,33%) du capital social de la Société. Le conseil d'administration suspendra tout droit de vote ou de recevoir des

dividendes ou autres distributions de quelque nature que ce soit attachés aux actions ordinaires acquises en violation des dispositions de l'article 8.2.1 et aucune de ces actions ordinaires ne pourra être prise en compte pour déterminer si le quorum est atteint à une assemblée des actionnaires de la Société, tant que ces actions ordinaires ne seront pas vendues. En outre, si les conditions de l'article 8.2.1 des présents statuts ne sont pas respectées, la Société pourra considérer tout transfert d'actions ordinaires acquises en violation des dispositions de l'article 8.2.1 comme non valide, auquel cas aucun administrateur ou dépositaire de la Société, quel qu'il soit, ne pourra inscrire ce transfert dans les registres et livres pertinents de la Société

8.2.3 Si le détenteur d'un instrument financier convertible en actions ordinaires qui envisage une Acquisition Envisagée ne se conforme pas aux modalités de l'article 8.2.1 des présents statuts, le conseil d'administration pourra refuser la conversion en actions ordinaires de la partie de ces instruments convertibles qui, en cas de conversion, résulterait en ce que cette personne devienne la détentrice d'actions ordinaires atteignant ou dépassant le Seuil.

8.2.4 Aux fins du présent article 8.2, le terme "indirectement" comprendra les sociétés mères de l'Offrant, les sociétés contrôlées par l'Offrant ou qui se retrouveraient sous son contrôle à la suite de toute Acquisition, Offre Publique d'Acquisition ou Accord Préalable, selon le cas, qui accorderait en même temps le contrôle de la Société, les sociétés soumises au contrôle commun de l'Offrant et les autres personnes agissant conjointement avec l'Offrant ; seront également incluses les détentions que pourrait avoir une personne par l'entremise de trusts ou autres mécanismes similaires.

C. ASSEMBLEES GENERALES DES ACTIONNAIRES Article 9. Pouvoirs de l'assemblée générale des actionnaires

Les actionnaires exercent leurs droits collectifs en assemblée générale d'actionnaires. Toute assemblée générale d'actionnaires de la Société régulièrement constituée représente l'ensemble des actionnaires de la Société. L'assemblée générale des actionnaires a les pouvoirs les plus étendus pour autoriser, ordonner, réaliser ou ratifier des actes relatifs à la Société.

Article 10. Convocation des assemblées générales d'actionnaires

10.1 L'assemblée générale des actionnaires de la Société peut, à tout moment, être convoquée par le conseil d'administration, au lieu et date fixés dans la convocation à une telle assemblée.

10.2 L'assemblée générale des actionnaires doit obligatoirement être convoquée par le conseil d'administration sur demande écrite, comportant l'ordre du jour, d'un ou plusieurs actionnaires représentant au moins dix pour cent (10%) du capital social de la Société. Dans ce cas, l'assemblée générale des actionnaires doit être convoquée et tenue dans un délai d'un (1) mois à compter de la réception de cette demande. L'(es) actionnaire(s) représentant au moins cinq pour cent (5%) du capital social émis de la Société peuvent demander l'ajout d'un ou plusieurs points à l'ordre du jour de toute assemblée générale des actionnaires. Une telle demande doit être reçue au siège social de la Société par lettre recommandée au moins vingt-deux (22) jours avant la date de l'assemblée.

10.3 L'assemblée générale annuelle des actionnaires doit être tenue dans les six (6) mois suivant la fin de chaque exercice social au Luxembourg,

au siège social de la Société ou à tout autre endroit tel qu'indiqué dans la convocation à cette assemblée.

10.4 D'autres assemblées générales d'actionnaires pourront se tenir au lieu et à l'heure indiquée dans les convocations correspondantes à l'assemblée générale.

10.5 Les assemblées générales des actionnaires sont convoquées conformément aux dispositions de la Loi et si les actions ordinaires de la Société sont cotées sur une bourse étrangère, conformément aux exigences de cette bourse étrangère applicables à la Société.

10.6 Si les actions de la Société ne sont pas cotées sur une bourse étrangère, tous les actionnaires inscrits dans le registre des actionnaires à la date de l'assemblée générale des actionnaires ont le droit d'être admis à l'assemblée générale des actionnaires.

10.7 Si les actions ordinaires de la Société sont cotées sur une bourse, tous les actionnaires inscrits dans un registre des actionnaires de la Société ont le droit d'être admis et de voter à l'assemblée générale des actionnaires sur base du nombre d'actions ordinaires qu'ils détiennent à une date et une heure avant l'assemblée générale des actionnaires que le conseil d'administration peut déterminer comme la date d'inscription (la «Date d'Inscription») et telle que précisée dans la convocation.

10.8 Tout actionnaire, Porteur ou Dépositaire, selon le cas, qui souhaite assister à l'assemblée générale doit en informer la Société au plus tard le troisième jour ouvrable précédant la date de cette assemblée générale, ou jusqu'à toute autre date que le conseil d'administration peut déterminer et telle que précisée dans la convocation, d'une manière devant être déterminée par le conseil d'administration dans l'avis de convocation. Dans le cas d'actions ordinaires détenues par l'opérateur d'un système de compensation ou par un Dépositaire désigné par un tel Dépositaire, un Porteur d'actions ordinaires qui souhaite assister à une assemblée générale des actionnaires doit recevoir de ces opérateurs ou Dépositaires un certificat attestant le nombre d'actions ordinaires inscrites dans le compte correspondant à la Date d'Inscription. Le certificat doit être présenté à la Société au plus tard trois (3) jours ouvrables avant la date de cette assemblée générale. Si l'actionnaire vote au moyen d'une procuration, la procuration doit être déposée au siège social de la Société ou chez tout autre agent de la Société, dûment autorisé à recevoir ces procurations, dans le même temps. Le conseil d'administration peut fixer un délai plus court pour la présentation du certificat ou de la procuration auquel cas cela sera précisé dans la convocation.

10.9 Si tous les actionnaires sont présents ou représentés à une assemblée générale des actionnaires et déclarent qu'ils ont été informés de l'ordre du jour de la réunion, l'assemblée générale des actionnaires peut être tenue sans convocation préalable.

Article 11 Conduite des assemblées générales d'actionnaires

11.1 Un bureau de l'assemblée doit être constitué à chaque assemblée générale d'actionnaires, composé d'un président, d'un secrétaire et d'un scrutateur, chacun devant être nommé par l'assemblée générale des actionnaires, sans qu'ils soient nécessairement des actionnaires. Le bureau doit s'assurer que l'assemblée est tenue en conformité avec les règles applicables et, en particulier, en conformité avec les règles relatives à la convocation, au quorum, s'il en existe, au partage des voix et à la représentation des actionnaires.

11.2 Une liste de présence doit être tenue à toute assemblée générale d'actionnaires.

11.3 Chaque action ordinaire donne droit à une voix en assemblée générale d'actionnaires, sous réserve des dispositions de la Loi. Sauf disposition contraire de la Loi ou des statuts, les décisions prises en assemblée générale d'actionnaires dûment convoquées sont adoptées à la majorité simple des voix valablement exprimées quelle que soit la part du capital social émis de la Société présente ou représentée à l'assemblée générale. Les abstentions et les votes blancs ou nuls ne sont pas pris en compte.

11.4 Un actionnaire peut participer à toute assemblée générale des actionnaires en désignant une autre personne, actionnaire ou non, comme son mandataire par écrit au moyen d'un document signé, transmis par courrier, par télécopie, ou par tout autre moyen de communication autorisé par le conseil d'administration. Une personne peut représenter plusieurs voire même tous les actionnaires.

11.5 Les actionnaires qui prennent part à une assemblée générale par conférence téléphonique, vidéoconférence ou par tout autre moyen de communication autorisé par le conseil d'administration, permettant leur identification et permettant à toutes les personnes participant à l'assemblée de s'entendre mutuellement sans discontinuité, garantissant une participation effective à l'assemblée, sont réputés être présents pour le calcul du quorum et de la majorité, à condition que de tels moyens de communication soient disponibles sur les lieux de tenue de l'assemblée.

11.6 Chaque actionnaire peut voter à une assemblée générale des actionnaires au moyen d'un bulletin de vote signé, envoyé par courrier, télécopie ou tout autre moyen de communication autorisé par le conseil d'administration et délivré au siège social de la Société ou à l'adresse indiquée dans la convocation. Les actionnaires ne peuvent utiliser que les bulletins de vote fournis par la Société qui indiquent au moins le lieu, la date et l'heure de l'assemblée, l'ordre du jour de l'assemblée, les résolutions soumises au vote de l'assemblée, ainsi que pour chaque résolution, trois cases à cocher permettant à l'actionnaire de voter en faveur ou contre la résolution proposée, ou d'exprimer une abstention par rapport à chacune des résolutions proposées, en cochant la case appropriée. La Société ne prendra en compte que des bulletins de vote reçus au plus tard trois (3) jours avant la tenue de l'assemblée générale des actionnaires à laquelle ils se rapportent. Le conseil d'administration peut fixer une durée plus courte pour la présentation des bulletins de vote.

11.7 Le conseil d'administration peut définir des conditions supplémentaires qui devront être remplies par les actionnaires afin qu'ils puissent participer à une assemblée générale des actionnaires.

Article 12. Modification des statuts

Sous réserve des dispositions de la Loi et des présents statuts, toute modification des statuts nécessite une majorité d'au moins deux-tiers (2/3) des voix valablement exprimées lors d'une assemblée générale à laquelle au moins la moitié (1/2) du capital social émis de la Société est représentée. Si le quorum n'est pas atteint à une assemblée, une seconde assemblée pourra être convoquée dans les conditions prévues par la Loi, qui pourra alors délibérer quel que soit le capital social émis de la Société représentée à l'assemblée et lors de laquelle les décisions seront adoptées à la majorité d'au moins deux-tiers (2/3) des voix valablement exprimées. Les abstentions

et les votes blancs ou nuls ne sont pas pris en compte pour le calcul de la majorité.

Article 13. Prorogation des assemblées générales des actionnaires

Le conseil d'administration peut proroger toute assemblée générale d'actionnaires déjà commencée, y compris toute assemblée générale en vue de statuer sur une modification des statuts, pour une période de quatre (4) semaines. Le conseil d'administration doit proroger toute assemblée générale des actionnaires déjà commencée à la demande d'un ou plusieurs actionnaires représentant au moins vingt pour cent (20%) du capital social de la Société. Lors d'une telle prorogation d'une assemblée générale déjà commencée, toute décision déjà adoptée par l'assemblée générale des actionnaires sera annulée. Pour éviter toute confusion, une fois qu'une assemblée a été prorogée conformément à la deuxième phrase de cet article 13, le conseil d'administration ne sera pas tenu de proroger une telle assemblée une deuxième fois.

Article 14. Procès-verbal des assemblées générales d'actionnaires

Le bureau de toute assemblée générale des actionnaires doit dresser un procès-verbal de l'assemblée qui doit être signé par les membres du bureau de l'assemblée ainsi que par tout actionnaire qui en fait la demande. Toute copie ou extrait de ces procès-verbaux originaux devant être produit(e) dans le cadre de procédures judiciaires ou devant être communiqué(é) à tout tiers devra être signé(e) par le président ou le co-président du conseil d'administration ou par deux membres du conseil d'administration.

D. ADMINISTRATION Article 15. Conseil d'administration

15.1 La Société est gérée par un conseil d'administration dont les membres peuvent mais ne doivent pas être des actionnaires de la Société. Le conseil d'administration est investi des pouvoirs les plus étendus pour prendre toute mesure nécessaire ou utile afin de réaliser l'objet social de la Société, à l'exception des pouvoirs réservés par la loi ou par les présents statuts à l'assemblée générale des actionnaires.

15.2 La gestion journalière de la Société ainsi que la représentation de la Société en rapport avec cette gestion journalière peut, en conformité avec l'article 60 de la Loi, être déléguée à un ou plusieurs membres du conseil d'administration ou à toute(s) autre(s) personne(s) nommée(s) par le conseil d'administration, qui peuvent mais ne doivent pas être actionnaire, agissant individuellement ou conjointement. Leur nomination, révocation et pouvoirs seront déterminés par une décision du conseil d'administration.

15.3 Le conseil d'administration peut également conférer des pouvoirs spéciaux au moyen d'une procuration authentique ou d'un acte sous seing privé, à toute personne agissant seule ou conjointement avec d'autres en qualité de mandataires de la Société.

15.4 Le conseil d'administration est composé au minimum de sept (7) administrateurs et au maximum quinze (15) administrateurs. Le conseil d'administration doit choisir parmi ces membres un président du conseil d'administration. Il peut aussi choisir un co-président et il peut choisir un secrétaire qui n'a pas besoin d'être un actionnaire ou un membre du conseil d'administration.

Article 16. Nomination, révocation et durée des mandats des administrateurs

16.1 Les administrateurs sont nommés par l'assemblée générale des actionnaires pour un mandat allant jusqu'à quatre (4) ans ; étant entendu toutefois que les administrateurs doivent être élus sur une base échelonnée, avec un tiers (1/3) des administrateurs étant élus chaque année et ; étant encore entendu que cette période peut être dépassée d'une période allant jusqu'à l'assemblée générale annuelle se tenant après le quatrième anniversaire de la nomination. Chaque administrateur élu doit rester en fonction jusqu'à ce que son successeur soit élu. Si une personne morale est nommée en tant qu'administrateur de la Société, cette personne morale doit désigner une personne physique en qualité de représentant permanent qui doit assurer cette fonction au nom et pour le compte de la personne morale. La personne morale peut révoquer son représentant permanent uniquement si elle nomme simultanément son successeur. Une personne physique peut uniquement être le représentant permanent d'un seul administrateur de la Société et ne peut être simultanément administrateur de la Société.

16.2 Chaque administrateur peut être révoqué de ses fonctions à tout moment et sans motif par l'assemblée générale des actionnaires.

16.3 Les administrateurs sont rééligibles indéfiniment.

16.4 Dans l'hypothèse où un poste d'administrateur deviendrait vacant suite au décès, à l'incapacité juridique, à la faillite, à la retraite ou autre, cette vacance pourra être comblée à titre temporaire par les administrateurs restants jusqu'à la prochaine assemblée générale d'actionnaires, appelée à statuer sur la nomination permanente.

Article 17. Convocation aux conseils d'administration

17.1 Le conseil d'administration se réunit sur convocation valablement donnée par le président ou par deux (2) administrateurs au lieu défini dans la convocation décrite dans le paragraphe ci-dessous.

17.2 Une convocation écrite à toute réunion du conseil d'administration doit être adressée aux administrateurs cinq (5) jours au moins avant la date prévue pour la réunion par écrit, par télécopie, courrier électronique ou tout autre moyen de communication, sauf en cas d'urgence, auquel cas la nature et les motifs de cette urgence devront être exposés dans la convocation. L'avis de convocation n'est pas nécessaire dans le cas d'une renonciation à cette exigence de chaque administrateur par écrit par courrier, télécopie, courrier électronique ou par tout autre moyen de communication, une copie de ce document étant une preuve suffisante. De la même manière, aucune convocation préalable ne sera exigée pour toute réunion du conseil d'administration dont l'heure et l'endroit auront été déterminés dans une décision précédente adoptée par le conseil d'administration. Aucune convocation préalable n'est également requise dans l'hypothèse où tous les membres du conseil d'administration sont présents ou représentés à une réunion du conseil d'administration où dans le cas où des décisions écrites auraient été approuvées et signées par tous les membres du conseil d'administration.

Article 18. Conduite des réunions du conseil d'administration

18.1 Le président du conseil d'administration doit présider toute réunion du conseil d'administration. En cas d'absence du président, le conseil d'administration peut nommer un autre administrateur en qualité de président temporaire.

18.2 Le conseil d'administration ne peut valablement délibérer ou statuer que si la majorité au moins des administrateurs est présente ou représentée à une réunion du conseil d'administration.

18.3 Les décisions sont prises à la majorité des voix des administrateurs présents ou représentés lors de la réunion du conseil d'administration. En cas d'égalité des voix, le président du conseil d'administration a une voix prépondérante. En cas d'absence du président du conseil d'administration, l'administrateur qui aura été nommé président temporaire de la réunion ne dispose pas de voix prépondérante.

18.4 Tout administrateur peut participer à toute réunion du conseil d'administration en désignant comme mandataire un autre membre du conseil d'administration par écrit, télécopie, courrier électronique ou tout autre moyen similaire de communication. Tout administrateur peut représenter un ou plusieurs autres administrateurs.

18.5 Un administrateur qui participe à une réunion du conseil d'administration, par conférence téléphonique, vidéoconférence ou par tout autre moyen de communication autorisant les membres participant à de telles réunions de s'entendre les uns les autres de manière continue et permettant une participation effective à ces réunions, est considéré être présent et est pris en compte en matière de quorum et de majorité. La participation à une réunion par ces moyens équivaldra à une participation en personne et la réunion devra être considérée comme ayant été tenue au siège social de la Société.

18.6 Le conseil d'administration peut à l'unanimité passer des décisions écrites qui auront la même valeur que les décisions prises lors d'une réunion du conseil d'administration dûment convoquée et tenue. De telles décisions écrites sont prises quand datées et signées par les administrateurs sur un document ou sur plusieurs copies, une copie d'une signature envoyée par la poste, par télécopieur ou par un moyen de communication similaire étant une preuve suffisante. Le document unique montrant toutes les signatures ou la totalité des documents signés, le cas échéant, formeront l'instrument qui sera la preuve de l'adoption des résolutions et la date des décisions sera la date de la dernière signature.

18.7 Le secrétaire ou, si aucun secrétaire n'a été nommé, le président qui était présent lors d'une réunion, dresse un procès-verbal de la réunion du conseil d'administration, qui doit être signé par le président ou par le secrétaire, selon le cas, ou par deux administrateurs.

Article 19 Comité du conseil d'administration

Le conseil d'administration peut créer un ou plusieurs comités, incluant sans limitation, un comité d'audit, un comité de nomination et de gouvernance d'entreprise et un comité de rémunération, et pour lesquels il doit, si un ou plusieurs de ces comités sont mis en place, nommer les membres qui peuvent, mais ne doivent pas nécessairement, être des membres du conseil d'administration (toujours sous réserve, si les actions ordinaires de la Société sont inscrites à une bourse étrangère, des exigences de cette bourse étrangère applicables à la Société et / ou de l'autorité de régulation compétente en relation avec cette cotation), déterminer le but, les pouvoirs et autorités ainsi que les procédures et les autres règles qui leur seront applicables.

Article 20. Relations avec les tiers

La Société est engagée à l'égard des tiers en toutes circonstances par (i) la signature du président du conseil d'administration, (ii) la signature conjointe de deux (2) administrateurs ou (iii) par la signature conjointe ou la

signature unique de toute(s) personne(s) à laquelle (auxquelles) un tel pouvoir aura été délégué par le conseil d'administration dans les limites d'une telle délégation.

Concernant les matières relevant de la gestion journalière de la Société, la Société est engagée à l'égard des tiers par la seule signature de

(i) l'administrateur délégué ou du délégué à la gestion journalière (le

« **Délégué à la gestion journalière** » ou « **CEO** »), (ii) le directeur financier (le « **Directeur Financier** » ou « **CFO** ») ou (iii) toute(s) personne(s) à laquelle (auxquelles) un tel pouvoir en relation avec la gestion journalière de la Société aura été délégué par le conseil d'administration, en accord avec l'article 15 ci-dessus, agissant individuellement ou conjointement en accord avec les termes d'une telle délégation, si tant est qu'une telle personne ait été nommée.

Article 21. Indemnisation

21.1 Les membres du conseil d'administration ne sont pas tenus personnellement responsables des dettes ou d'autres obligations de la Société. Comme mandataires de la Société, ils sont responsables de l'exercice de leurs fonctions. Sous réserve des exceptions et limitations prévues à l'article 21.2 et des dispositions impératives de la loi, toute personne qui est, ou a été, membre du conseil d'administration ou dirigeant de la Société sera indemnisé par la Société, dans toute la mesure permise par la loi, contre toute responsabilité et toutes les dépenses raisonnablement engagées ou payées par lui en rapport avec toute réclamation, action, poursuite ou procédure dans lesquelles il est impliqué en tant que partie ou autre, pour être être ou avoir été administrateur ou dirigeant, et les sommes payées ou engagées par lui dans le règlement de celles-ci. Les mots «demande», «action», «poursuite» ou «procédure» s'appliqueront à toutes les demandes, actions, poursuites ou procédures (civiles, pénales ou autres, y compris les appels) actuelles ou menacées et les mots « responsabilité » et «dépenses» comprennent, sans limitation les frais d'avocat, les coûts, les jugements, les montants payés en transaction et autres passifs.

21.2 Aucune indemnisation ne sera due à tout administrateur ou dirigeant (i) contre toute responsabilité envers la Société ou ses actionnaires en raison de fautes intentionnelles, de mauvaise foi, de négligence grave ou téméraire dans l'exercice de sa fonction (ii) à l'égard de toute affaire dans laquelle il aura été finalement condamné pour avoir agi de mauvaise foi et non dans l'intérêt de la Société ou (iii) dans le cas d'une transaction, à moins que la transaction ait été approuvée par un tribunal compétent, ou par le conseil d'administration.

21.3 Le droit à la présente d'indemnisation ici prévue est séparable, ne doit pas porter atteinte aux droits dont tout administrateur ou dirigeant peut présentement ou plus tard avoir droit et doit continuer pour une personne qui a cessé d'être administrateur ou dirigeant et bénéficiera aux héritiers, exécuteurs testamentaires et administrateurs de cette personne. Aucune disposition des présents statuts ne peut affecter ou limiter les droits à indemnisation dont le personnel, y compris les administrateurs et dirigeants, peuvent avoir droit par contrat ou autrement en vertu de la loi. La Société est expressément habilitée à fournir une indemnisation contractuelle et peut souscrire et maintenir une assurance pour tout le personnel, y compris les administrateurs et dirigeants de la Société, comme elle peut le décider au fil du temps.

21.4 Les dépenses liées à la préparation et la représentation d'une défense contre toute réclamation, action, poursuite ou procédure ayant le caractère décrit dans cet article 21 seront avancées par la Société avant toute décision finale sur réception de l'engagement par ou pour le compte d'un/de dirigeant(s) ou d'(un)administrateur(s), de rembourser ce montant s'il est finalement déterminé qu'il n'a pas droit à une indemnisation en vertu du présent article.

Article 22. Conflit d'intérêts

22.1 Tout administrateur qui a, directement ou indirectement, lors d'une transaction soumise à l'approbation du conseil d'administration, un intérêt qui est en conflit avec celui de la Société, doit informer le conseil d'administration de ce conflit d'intérêts et doit faire enregistrer sa déclaration dans le procès-verbal de la réunion du conseil d'administration. L'administrateur en question ne peut pas prendre part aux discussions et ne peut pas voter sur la transaction concernée. Un rapport spécial sur les opérations dans lesquelles un des administrateurs aurait eu un intérêt opposé à celui de la Société, doit être présenté lors de la prochaine assemblée générale avant que toute résolution soit mise au vote.

22.2 Aucun contrat ou autre transaction entre la Société et toute autre société ne sera affecté ou invalidé par le fait qu'un ou plusieurs administrateurs ou dirigeants de la Société sont intéressés, ou sont administrateurs, associés, dirigeants, agents, conseillers ou employés de cette autre société. Tout administrateur ou dirigeant qui est administrateur, dirigeant ou employé ou autre de toute société avec laquelle la Société contractera ou s'engage, ne doit pas, en raison de son appartenance à cette société, être empêché de voter ou d'agir dans les matières à l'égard de tel contrat ou autre affaire.

E. AUDIT ET SURVEILLANCE DE LA SOCIETE Article 23. Auditeurs

23.1 Les comptes annuels de la Société doivent être audités par un ou plusieurs réviseurs d'entreprises agréés, nommés par l'assemblée générale des actionnaires après recommandation du conseil d'administration (agissant sur recommandation du comité d'audit, s'il existe). L'assemblée générale des actionnaires fixe le nombre de réviseur(s) et la durée de leur mandat qui ne peut excéder un (1) an et peut être renouvelé pour des périodes successives d'un (1) an.

23.2 Le réviseur peut être révoqué à tout moment avec motif (ou avec son approbation) par l'assemblée générale des actionnaires. Un auditeur peut être reconduit.

F. EXERCICE SOCIAL – AFFECTATION DES BENEFICES – ACOMPTES SUR DIVIDENDES

Article 24. Exercice social

L'exercice social de la Société commence le premier (1) janvier de chaque année et se termine le trente-et-un (31) décembre de la même année.

Article 25. Comptes annuels - Affectation des bénéfices

25.1 Au terme de chaque exercice social, les comptes sont clôturés et le conseil d'administration dresse ou fait dresser un inventaire des actifs et passifs de la Société, le bilan et le compte de profits et pertes conformément à la Loi.

25.2 Sur les bénéfices annuels nets de la Société, cinq pour cent (5%) au moins seront affectés à la réserve légale. Cette affectation cessera d'être obligatoire dès que le montant total de la réserve légale de la Société

atteindra dix pour cent (10%) du capital social de la Société. Les sommes apportées à la Société par les actionnaires peuvent également être affectées à la réserve légale. En cas de réduction du capital social, la réserve légale de la Société pourra être réduite en proportion afin qu'elle n'excède pas dix pour cent (10%) du capital social.

25.3 Sur proposition du conseil d'administration, l'assemblée générale des actionnaires décidera de l'affectation du solde du bénéfice net annuel.

25.4 Les dividendes qui n'ont pas été réclamés dans les cinq (5) ans après la date à laquelle ils sont devenus exigibles et payables reviennent à la Société.

Article 26. Acomptes sur dividendes - Prime d'émission et primes assimilées

26.1 Le conseil d'administration peut décider de distribuer des acomptes sur dividendes dans le respect des conditions prévues par la Loi.

26.2 Toute prime d'émission, prime assimilée ou autre réserve distribuable peuvent être librement distribuées aux actionnaires (y compris par acomptes surdividendes) sous réserve des dispositions de la Loi et des présents statuts.

G. LIQUIDATION

Article 27. Liquidation

27.1 En cas de dissolution de la Société, la liquidation sera effectuée par un ou plusieurs liquidateurs, personnes physiques ou morales, nommés par l'assemblée générale des actionnaires ayant décidé la dissolution de la Société et qui fixera les pouvoirs et émoluments de chacun des liquidateurs. Sauf dispositions contraires, le liquidateur ou les liquidateurs disposeront des pouvoirs les plus étendus pour la réalisation de l'actif et le paiement du passif de la Société.

27.2 Le surplus résultant de la réalisation de l'actif et du paiement de l'ensemble des dettes sera réparti entre les actionnaires en proportion du nombre des actions ordinaires qu'ils détiennent dans la Société.

H. LOI APPLICABLE

Article 28. Loi applicable

Tout ce qui n'est pas régi par les présents statuts sera déterminé en conformité avec la Loi.

STATUTS COORDONNES, délivrés à la société sur sa demande. Belvaux, le 09 février 2022.

DESCRIPTION OF CAPITAL STOCK

The following is a summary of some of the terms of our common shares, based on our articles of association.

The following summary is not complete and is subject to, and is qualified in its entirety by reference to, the provisions of our articles of association, as amended, and applicable Luxembourg law, including the Luxembourg Corporate Law.

General

We are a Luxembourg joint stock company (*société anonyme*) and our legal name is "Globant S.A." We were incorporated on December 10, 2012. We are registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B 173 727 and have our registered office at 37A Avenue J.F. Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg.

Share Capital

As of December 31, 2021, our issued share capital was \$50,269,076.40, represented by 41,890,897 common shares with a nominal value of \$1.20 each, of which 157,699 were treasury shares held by us.

We had an authorized share capital, excluding the issued share capital, of \$3,042,922.80, consisting of 2,535,769 common shares with a nominal value of \$1.20 each.

Our shareholders' meeting has authorized our board of directors to issue common shares within the limits of the authorized share capital at such time and on such terms as our board of directors may decide during a period ending on the fifth anniversary of the extraordinary general meeting of shareholders held on April 3, 2020, and may be renewed. Accordingly, as of December 31, 2021, our board of directors may issue up to 2,535,769 common shares until such date. We currently intend to seek renewals and/or extensions as required from time to time.

Our authorized share capital is determined by our articles of association, as amended from time to time, and may be increased or reduced by amending the articles of association by approval of the requisite two-thirds majority of the votes at a quorate extraordinary general shareholders' meeting. Under Luxembourg law, our shareholders have no obligation to provide further capital to us.

Under Luxembourg law, our shareholders benefit from a pre-emptive subscription right on the issuance of common shares for cash consideration. However, our shareholders have, in accordance with Luxembourg law authorized our board of directors to waive, suppress or limit, any pre-emptive subscription rights of shareholders provided by law to the extent our board of directors deems such waiver, suppression or limitation advisable for any issue or issues of common shares within the scope of our authorized share capital. Such common shares may be issued above, at or below market value as well as above, at or below nominal value by way of incorporation of available reserves (including premium).

Form and Transfer of Common Shares

Our common shares are issued in registered form only and are freely transferable under Luxembourg law and our articles of association. Luxembourg law does not impose any limitations on the rights of Luxembourg or non-Luxembourg residents to hold or vote our common shares.

Under Luxembourg law, the ownership of registered shares is established by the inscription of the name of the shareholder and the number of shares held by him or her in the shareholder register. Transfers of common shares not deposited into securities accounts are effective towards us and third parties either through the recording of a declaration of transfer into the shareholders' register, signed and dated by the transferor and the transferee or their

representatives or by us, upon notification of the transfer to, or upon the acceptance of the transfer by, us. Should the transfer of common shares not be recorded accordingly, the shareholder is entitled to enforce his or her rights by initiating the relevant proceedings before the competent courts of Luxembourg.

In addition, our articles of association provide that our common shares may be held through a securities settlement system or a professional depository of securities. The depositor of common shares held in such manner has the same rights and obligations as if such depositor held the common shares directly. Common shares held through a securities settlement system or a professional depository of securities may be transferred from one account to another in accordance with customary procedures for the transfer of securities in book-entry form. However, we will make dividend payments (if any) and any other payments in cash, common shares or other securities (if any) only to the securities settlement system or the depository recorded in the shareholders' register or in accordance with its instructions.

Issuance of Common Shares

Pursuant to Luxembourg Corporate Law, the issuance of common shares requires the amendment of our articles of association by the approval of two-thirds of the votes at a quorate extraordinary general shareholders' meeting; provided, however, that the general meeting may approve an authorized share capital and authorize our board of directors to issue common shares up to the maximum amount of such authorized unissued share capital for a five year period beginning either on the date of the relevant general meeting or the date of publication in the RESA of the minutes of the relevant general meeting approving such authorization. The general meeting may amend or renew such authorized share capital and such authorization of our board of directors to issue common shares.

As of December 31, 2021, we had an authorized share capital, excluding the issued share capital, of \$3,042,922.80 and our board of directors was authorized to issue up to 2,535,769 common shares (subject to stock splits, consolidation of common shares or like transactions) with a nominal value of \$1.20 per common share.

Our articles of association provide that no fractional shares shall be issued or exist.

Pre-emptive Rights

Unless limited, waived or cancelled by our board of directors in the context of the authorized share capital or pursuant to a decision of an extraordinary general meeting of shareholders pursuant to the provisions of the articles of association relating to amendments thereof, holders of our common shares have a pro rata pre-emptive right to subscribe for any new common shares issued for cash consideration. Our articles of association provide that pre-emptive rights can be waived, suppressed or limited by our board of directors for a period ending on the fifth anniversary of the date of extraordinary general meeting of shareholders held on April 3, 2020, which period therefore ends on April 3, 2025, in the event of an increase of the issued share capital by our board of directors within the limits of the authorized share capital.

Repurchase of Common Shares

We cannot subscribe for our own common shares. We may, however, repurchase issued common shares or have another person repurchase issued common shares for our account, subject to the following conditions:

- the repurchase complies with the principle of equal treatment of all shareholders, except in the event such repurchase was the result of the unanimous decision of a general meeting at which all shareholders were present or represented (in addition, listed companies may repurchase their own shares on the stock exchange without an offer to repurchase having to be made to the shareholders);
- prior authorization by a simple majority vote at an ordinary general meeting of shareholders is granted, which authorization sets forth the terms and conditions of the proposed repurchase, including the maximum number of common shares to be repurchased, the duration of the period for which the authorization is given

(which may not exceed five years) and, in the case of a repurchase for consideration, the minimum and maximum consideration per common share;

- the repurchase does not reduce our net assets (on a non-consolidated basis) to a level below the aggregate of the issued share capital and the reserves that we must maintain pursuant to Luxembourg law or our articles of association; and
- only fully paid-up common shares are repurchased.

No prior authorization by our shareholders is required for us to repurchase our own common shares if:

- we are in imminent and severe danger, in which case our board of directors must inform the general meeting of shareholders held subsequent to the repurchase of common shares of the reasons for, and aim of such repurchase, the number and nominal value of the common shares repurchased, the fraction of the share capital such repurchased common shares represented and the consideration paid for such shares; or
- the common shares are repurchased by us or by a person acting for our account in view of a distribution of the common shares to our employees.

On May 31, 2019, the general meeting of shareholders, according to the conditions set forth in article 430-15 of Luxembourg Corporate Law granted our board of directors the authorization to repurchase up to a maximum number of shares representing 20% of the issued share capital immediately after the closing of our initial public offering for a net purchase price being (i) no less than 50% of the lowest stock price and (ii) no more than 50% above the highest stock price, in each case being the closing price, as reported by the New York City edition of the Wall Street Journal, or, if not reported therein, any other authoritative sources to be selected by our board of directors, over the ten trading days preceding the date of the purchase (or the date of the commitment to the transaction). The authorization is valid for a period ending five years from the date of the general meeting or the date of its renewal by a subsequent general meeting of shareholders. Pursuant to such authorization, our board of directors is authorized to acquire and sell our common shares under the conditions set forth in the minutes of such general meeting of shareholders. Such purchases and sales may be carried out for any purpose authorized by the general meeting of Globant S.A.

Capital Reduction

Our articles of association provide that our issued share capital may be reduced by a resolution adopted by a two-thirds majority of the votes at a quorate extraordinary general shareholders' meeting. If the reduction of capital results in the capital being reduced below the legally prescribed minimum, the general meeting of the shareholders must, at the same time, resolve to increase the capital up to the required level.

General Meeting of Shareholders

Any regularly constituted general meeting of our shareholders represents the entire body of shareholders.

Each of our common shares entitles the holder thereof to attend our general meeting of shareholders, either in person or by proxy, to address the general meeting of shareholders and to exercise voting rights, subject to the provisions of Luxembourg law and our articles of association. Each common share entitles the holder to one vote at a general meeting of shareholders. Our articles of association provide that our board of directors shall adopt as it deems fit all other regulations and rules concerning the attendance to the general meeting.

A general meeting of our shareholders may, at any time, be convened by our board of directors, to be held at such place and on such date as specified in the convening notice of such meeting. Our articles of association and Luxembourg law provide that a general meeting of shareholders must be convened by our board of directors, upon

request in writing indicating the agenda, addressed to our board of directors by one or more shareholders representing at least 10% of our issued share capital. In such case, a general meeting of shareholders must be convened and must be held within a period of one month from receipt of such request. One or more shareholders holding at least 5% of our issued share capital may request the addition of one or more items to the agenda of any general meeting of shareholders and propose resolutions. Such requests must be received at our registered office by registered mail at least 5 days before the date of such meeting.

Our articles of association provide that if our common shares are listed on a stock exchange, all shareholders recorded in any register of our shareholders are entitled to be admitted and vote at the general meeting of shareholders based on the number of shares they hold on a date and time preceding the general meeting of shareholders as the record date for admission to the general meeting of shareholders (the "Record Date"), which the board of directors may determine as specified in the convening notice. Furthermore, any shareholder, holder or depositary, as the case may be, who wishes to attend the general meeting must inform us thereof no later than on the third business day preceding the date of such general meeting, or by any other date which the board of directors may determine and as specified in the convening notice, in a manner to be determined by our board of directors in the notice convening the general meeting of the shareholders. In the case of common shares held through the operator of a securities settlement system or with a depositary, or sub-depositary designated by such depositary, a shareholder wishing to attend a general meeting of shareholders should receive from such operator or depositary a certificate certifying the number of common shares recorded in the relevant account on the Record Date. The certificate should be submitted to us at our registered office no later than three business days prior to the date of such general meeting. In the event that the shareholder votes by means of a proxy, the proxy must be deposited at our registered office at the same time or with any of our agents, duly authorized to receive such proxies. Our board of directors may set a shorter period for the submission of the certificate or the proxy in which case this will be specified in the convening notice.

The convening of, and attendance to, our general meetings is subject to the provisions of the Luxembourg Corporate Law.

General meetings of shareholders shall be convened in accordance with the provisions of our articles of association and the Luxembourg Corporate Law and the requirement of any stock exchange on which our shares are listed. The Luxembourg Corporate Law provides *-inter alia-* that convening notices for every general meeting shall contain the agenda and shall take the form of announcements filed with the register of commerce and companies, published on the RESA, and published in a Luxembourg newspaper at least 15 days before the meeting. As all of our common shares are in registered form, we may decide to send the convening notice only by registered mail to the registered address of each shareholder no less than eight days before the meeting. In that case, the legal requirements regarding the publication of the convening notice in the RESA and in a Luxembourg newspaper do not apply.

In the event (i) an extraordinary general meeting of shareholders is convened to vote on an extraordinary resolution (See below under "Voting Rights" for additional information), (ii) such meeting is not quorate and (iii) a second meeting is convened, the second meeting will be convened as specified above.

Pursuant to our articles of association, if all shareholders are present or represented at a general meeting of shareholders and state that they have been informed of the agenda of the meeting, the general meeting of shareholders may be held without prior notice.

Our annual general meeting is held on the date set forth in the corresponding convening notice within six months of the end of each financial year at our registered office or such other place as specified in such convening notice.

Voting Rights

Each share entitles the holder thereof to one vote at a general meeting of shareholders.

Luxembourg law distinguishes between ordinary resolutions and extraordinary resolutions.

Extraordinary resolutions relate to proposed amendments to the articles of association and certain other limited matters. All other resolutions are ordinary resolutions.

Ordinary Resolutions. Pursuant to our articles of association and the Luxembourg Corporate Law, ordinary resolutions shall be adopted by a simple majority of votes validly cast on such resolution at a general meeting. Abstentions and nil votes will not be taken into account.

Extraordinary Resolutions. Extraordinary resolutions are required for any of the following matters, among others: (a) an increase or decrease of the authorized share capital or issued share capital, (b) a limitation or exclusion of preemptive rights, (c) approval of a merger (*fusion*) or de-merger (*scission*), (d) dissolution, (e) an amendment to our articles of association and (f) a change of nationality. Pursuant to Luxembourg law and our articles of association, for any extraordinary resolutions to be considered at a general meeting, the quorum must generally be at least 50% of our issued share capital. Any extraordinary resolution shall generally be adopted at a quorate general meeting upon a two-thirds majority of the votes validly cast on such resolution. In case such quorum is not reached, a second meeting may be convened by our board of directors in which no quorum is required, and which must generally still approve the amendment with two-thirds of the votes validly cast. Abstentions and nil votes will not be taken into account.

Appointment and Removal of Directors. Members of our board of directors are elected by ordinary resolution at a general meeting of shareholders. Under our articles of association, all directors are elected for a period of up to four years, provided, however, that our directors shall be elected on a staggered basis. Any director may be removed with or without cause and with or without prior notice by a simple majority vote at any general meeting of shareholders. The articles of association provide that, in case of a vacancy, our board of directors may fill such vacancy on a temporary basis by a person designated by the remaining members of our board of directors until the next general meeting of shareholders, which will resolve on a permanent appointment. The directors shall be eligible for re-election indefinitely.

Neither Luxembourg law nor our articles of association contain any restrictions as to the voting of our common shares by non-Luxembourg residents.

Amendment to Articles of Association

Shareholder Approval Requirements. Luxembourg law requires that an amendment to our articles of association generally be made by extraordinary resolution. The agenda of the general meeting of shareholders must indicate the proposed amendments to the articles of association.

Pursuant to Luxembourg Corporate Law and our articles of association, for an extraordinary resolution to be considered at a general meeting, the quorum must generally be at least 50% of our issued share capital. Any extraordinary resolution shall be adopted at a quorate general meeting (save as otherwise required by law) upon a two-thirds majority of the votes validly cast on such resolution. If the quorum of 50% is not reached at this meeting, a second general meeting may be convened, in which no quorum is required, and may approve the resolution at a majority of two-third of votes validly cast.

Formalities. Any resolutions to amend the articles of association or to approve a merger, de-merger, change of nationality, dissolution or change of nationality must be taken before a Luxembourg notary and such amendments must be published in accordance with Luxembourg law.

Merger and Division

A merger by absorption whereby one Luxembourg company, after its dissolution without liquidation, transfers to another company all of its assets and liabilities in exchange for the issuance of common shares in the acquiring company to the shareholders of the company being acquired, or a merger effected by transfer of assets to a newly incorporated company, must, in principle, be approved at a general meeting of shareholders by an extraordinary resolution of the Luxembourg company, and the general meeting of shareholders must be held before

a Luxembourg notary. Further conditions and formalities under Luxembourg law are to be complied with in this respect.

Liquidation

In the event of our liquidation, dissolution or winding-up, the assets remaining after allowing for the payment of all liabilities will be paid out to the shareholders pro rata according to their respective shareholdings. Generally, the decisions to liquidate, dissolve or wind-up require the passing of an extraordinary resolution at a general meeting of our shareholders, and such meeting must be held before a Luxembourg notary.

Mandatory Bid, Squeeze-Out and Sell-Out Rights

Mandatory bid. In accordance with the provisions of article 8 of our articles of association any person (the "Bidder") wishing to acquire by any means (including, but not limited to, the conversion of any financial instrument convertible into common shares), directly or indirectly, common shares of our Company (which, when aggregated with his/her/its existing common share holdings, together with any shares held by a person controlling the Bidder, controlled by the Bidder and/or under common control with the Bidder, represent at least thirty-three point thirty-three percent (33.33%) of the share capital of the Company (the "Threshold"), shall have the obligation to propose an unconditional takeover bid to acquire the entirety of the then-outstanding common shares together with any financial instrument convertible into common shares (the "Takeover Bid").

The consideration for each common share and financial instrument convertible into common shares payable to each holder thereof shall be the same, shall be payable in cash only, and shall not be lower than the highest of the following prices:

(a) the highest price per common shares and financial instrument convertible into common shares paid by the Bidder, or on behalf thereof, in relation to any acquisition of common shares and the financial instruments convertible into common shares within the twelve months period immediately preceding the takeover notice, adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and/or the financial instruments convertible into common shares; or

(b) the highest closing sale price, during the sixty-day period immediately preceding the takeover notice, of a common share of our Company as quoted by the New York Stock Exchange, in each case as adjusted as a consequence of any division of shares, stock dividend, subdivision or reclassification affecting or related to common shares and financial instrument convertible into common shares.

Squeeze-out right and sell out right. As a result of our common shares having been listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange ("LuxSE") until July 31, 2019, we remain subject to the provisions of the Luxembourg law of July 21, 2012 on mandatory squeeze-out and sell-out of securities of companies admitted or having been admitted to trading on a regulated market or which have been subject to a public offer (the "Luxembourg Mandatory Squeeze-Out and Sell-Out Law"), which shall continue to be applicable to the Company July 31, 2024 provided that no new listing on a regulated market (within the meaning of Directive 2014/65/EU) will occur until the aforementioned date. The Luxembourg Mandatory Squeeze-Out and Sell-Out Law provides that, subject to the conditions set forth therein being met, if any individual or legal entity, acting alone or in concert with another, holds a number of shares or other voting securities representing at least 95% of our voting share capital and 95% of our voting rights: (i) such holder may require the holders of the remaining shares or other voting securities to sell those remaining securities (the "Mandatory Squeeze-Out"); and (ii) the holders of the remaining shares or securities may require such holder to purchase those remaining shares or other voting securities (the "Mandatory Sell-Out"). The Mandatory Squeeze-Out and the Mandatory Sell-Out must be exercised at a fair price according to objective and adequate methods applying to asset disposals. The procedures applicable to the Mandatory Squeeze-Out and the Mandatory Sell-Out are subject to further conditions and must be carried out under the supervision of the *Commission de Surveillance du Secteur Financier*.

No Appraisal Rights

Neither Luxembourg law nor our articles of association provide for any appraisal rights of dissenting shareholders.

Distributions

Subject to Luxembourg law, if and when a dividend is declared by the general meeting of shareholders or an interim dividend is declared by our board of directors, each common share is entitled to participate equally in such distribution of funds legally available for such purposes. Pursuant to our articles of association, our board of directors may pay interim dividends, subject to Luxembourg law.

Declared and unpaid distributions held by us for the account of the shareholders shall not bear interest. Under Luxembourg law, claims for unpaid distributions will lapse in our favor five years after the date such distribution became due and payable.

Any amount payable with respect to dividends and other distributions declared and payable may be freely transferred out of Luxembourg, except that any specific transfer may be prohibited or limited by anti-money laundering regulations, freezing orders or similar restrictive measures.

Annual Accounts

Under Luxembourg law, our board of directors must prepare annual accounts and consolidated accounts. Except for certain cases as provided for by Luxembourg law, our board of directors must also annually prepare management reports on the annual accounts and consolidated accounts. The annual accounts, the consolidated accounts, management reports and auditor's reports must be available for inspection by shareholders at our registered office and on our website for an uninterrupted period beginning at least eight calendar days prior to the date of the annual ordinary general meeting of shareholders.

The annual accounts and consolidated accounts are audited by an approved statutory auditor (*réviseur d'entreprises agréé*).

The annual accounts and the consolidated accounts, will be filed with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés* of Luxembourg) and disseminated as regulated information.

Information Rights

Luxembourg law gives shareholders limited rights to inspect certain corporate records prior to the date of the annual ordinary general meeting of shareholders, including the annual accounts with the list of directors and auditors, the consolidated accounts, the notes to the annual accounts and the consolidated accounts, a list of shareholders whose common shares are not fully paid up, the management reports, the auditor's report and, in case of amendments to the articles of association, the text of the proposed amendments and the draft of the resulting consolidated articles of association.

In addition, any registered shareholder is entitled to receive, upon request, a copy of the annual accounts, the consolidated accounts, the auditor's reports and the management reports free of charge prior to the date of the annual ordinary general meeting of shareholders.

Board of Directors

Globant S.A. is managed by our board of directors which is vested with the broadest powers to take any actions necessary or useful to fulfill our corporate purpose with the exception of actions reserved by law or our articles of association to the general meeting of shareholders. Our articles of association provide that our board of directors must consist of at least seven members and no more than fifteen members. Our board of directors meets as often as company interests require.

A majority of the members of our board of directors present or represented at a board meeting constitutes a quorum, and resolutions are adopted by the simple majority vote of our board members present or represented. In the case of a tie, the chairman of our board shall have the deciding vote. Our board of directors may also make decisions by means of resolutions in writing signed by all directors.

Directors are elected by the general meeting of shareholders, and appointed for a period of up to four years; provided, however, that directors are elected on a staggered basis, with one-third of the directors being elected each year; and provided, further, that such term may be exceeded by a period up to the annual general meeting held following the fourth anniversary of the appointment, and each director will hold office until his or her successor is elected. The general shareholders' meeting may remove one or more directors at any time, without cause and without prior notice by a resolution passed by simple majority vote. If our board of directors has a vacancy, such vacancy may be filled on a temporary basis by a person designated by the remaining members of our board of directors until the next general meeting of shareholders, which will resolve on a permanent appointment. Any director shall be eligible for re-election indefinitely.

Within the limits provided for by applicable law and our articles of association, our board of directors may delegate to one or more directors or to any one or more persons, who need not be shareholders, acting alone or jointly, the daily management of Globant S.A. and the authority to represent us in connection with such daily management. Our board of directors may also grant special powers to any person(s) acting alone or jointly with others as agent of Globant S.A.

Our board of directors may establish one or more committees, including without limitation, an audit committee, a nominating and corporate governance committee, and a compensation committee, and for which it shall, if one or more of such committees are set up, appoint the members, determine the purpose, powers and authorities as well as the procedures and such other rules as may be applicable thereto. Our board of directors has established an audit committee as well as a compensation committee, and a nominating and corporate governance committee.

No contract or other transaction between us and any other company or firm shall be affected or invalidated by the fact that any one or more of our directors or officers is interested in, or is a director, associate, officer, agent, adviser or employee of such other company or firm. Any director or officer who serves as a director, officer or employee or otherwise of any company or firm with which we shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm only, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

Any director who has, directly or indirectly, a conflicting interest in a transaction submitted for approval to our board of directors that conflicts with our interest, must inform our board of directors thereof and to cause a record of his statement to be included in the minutes of the meeting. Such director may not take part in these deliberations and may not vote on the relevant transaction. At the next general meeting, before any resolution is put to a vote, a special report shall be made on any transactions in which any of the directors may have had an interest that conflicts with our interest.

No shareholding qualification for directors is required.

Any director and other officer, past and present, is entitled to indemnification from us to the fullest extent permitted by law against liability and all expenses reasonably incurred or paid by such director in connection with any claim, action, suit or proceeding in which he or she is involved as a party or otherwise by virtue of his being or having been a director. We may purchase and maintain insurance for any director or other officer against any such liability.

No indemnification shall be provided against any liability to our directors or executive officers by reason of willful misconduct, bad faith, gross negligence or reckless disregard of the duties of a director or officer. No indemnification will be provided with respect to any matter as to which the director or officer shall have been finally

adjudicated to have acted in bad faith and not in our interest, nor will indemnification be provided in the event of a settlement (unless approved by a court or our board of directors).

Registrars and Registers for Our Common Shares

All of our common shares are in registered form only.

We keep a register of common shares at our registered office in Luxembourg. This register is available for inspection by any shareholder. In addition, we may appoint registrars in different jurisdictions who will each maintain a separate register for the registered common shares entered therein. It is possible for our shareholders to elect the entry of their common shares in one of these registers and the transfer thereof at any time from one register to any other, including to the register kept at our registered office. However, our board of directors may restrict such transfers for common shares that are registered, listed, quoted, dealt in or have been placed in certain jurisdictions in compliance with the requirements applicable therein.

Our articles of association provide that the ownership of registered common shares is established by inscription in the relevant register. We may consider the person in whose name the registered common shares are registered in the relevant register as the owner of such registered common shares.

Transfer Agent and Registrar

The transfer agent and registrar for our common shares is American Stock Transfer & Trust Company, LLC, with an address at 6201 15th Avenue Brooklyn, New York, NY 11219.

Our common shares are listed on the NYSE under the symbol "GLOB".

AMENDMENT NO. 1

This AMENDMENT NO. 1 (this "Amendment") dated as of October 1, 2021, by and among GLOBANT, LLC, a Delaware limited liability company (the "Borrower"), HSBC Bank USA, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"), Issuing Bank and Swingline Lender, and the lenders party hereto, is entered into in connection with that certain Second Amended and Restated Credit Agreement, dated as of February 6, 2020 (as amended, amended and restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement"), by and among the Borrower, the lenders party thereto, the Administrative Agent, the Issuing Bank and the Swingline Lender.

WHEREAS, the Borrower has requested that the Lenders and the Administrative Agent amend the Credit Agreement to (i) extend the Term Loan Commitment Date with respect to the Term Loans, (ii) modify certain financial covenants and their component definitions and (iii) make certain other modifications to the Credit Agreement; and

WHEREAS, subject to the terms and conditions set forth in this Amendment, the Lenders and the Administrative Agent have agreed to so amend the Credit Agreement.

NOW, THEREFORE, in consideration of their mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1 Defined Terms. Unless otherwise defined herein, capitalized terms used herein (including in the preliminary statements hereto) shall have the same meaning assigned to such terms in the Credit Agreement.

Section 2 Amendments. As of the First Amendment Effective Date (as defined below), the parties hereto agree that the Credit Agreement shall hereby be amended as follows:

Section 2.1 References Generally. References in the Credit Agreement (included references to the Credit Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "herein" and "hereof") and references in the other Loan Documents to the "Credit Agreement" shall be deemed to be references to the Credit Agreement as amended hereby.

Section 2.2 Defined Terms. Section 1.1 of the Credit Agreement shall be amended by amending the following definitions and replacing them in their entirety, or as applicable, adding the following new definitions in the appropriate alphabetical order, to read as follows:

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

"Benchmark" means, initially, USD LIBOR; provided that if a replacement of the Benchmark has occurred pursuant to Section 2.23, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Benchmark" shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor:

(1) For purposes of clause (a) of Section 2.23, the first alternative set forth below that can be determined by the Administrative Agent:

(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration, and 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration, or

(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of USD LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (a) of Section 2.23; and

(2) For purposes of clause (b) of Section 2.23, the sum of (a) the alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for Dollar-denominated syndicated or bilateral credit facilities at such time;

provided that, if the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Business Day,” the definition of “Interest Period,” the definition of “Alternate Base Rate”, the definition of “Eurodollar”, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Transition Event” means, with respect to any then-current Benchmark other than USD LIBOR, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an

entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership requirement by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. Sec. 1010.230.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

“Early Opt-in Election” means the occurrence of:

- (1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and
- (2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

“Erroneous Payment” has the meaning assigned to it in Section 8.15(a).

“Erroneous Payment Deficiency Assignment” has the meaning assigned to it in Section 8.15(d)(i).

“Erroneous Payment Impacted Class” has the meaning assigned to it in Section 8.15(d)(i).

“Erroneous Payment Return Deficiency” has the meaning assigned to it in Section 8.15(d)(i).

“Erroneous Payment Subrogation Rights” has the meaning assigned to it in Section 8.15(e).

“FCA” has the meaning specified in Section 2.23(a).

“First Amendment Effective Date” means October 1, 2021.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR.

“IBA” has the meaning specified in Section 2.23(a).

“Interest Coverage Ratio” means, with respect to any Computation Period, the ratio of (a) Consolidated EBITDA minus cash payments made in respect of operating lease liabilities in accordance with IFRS for such period to (b) Consolidated Interest Expense (other than in respect of cash Interest Expense related to operating leases capitalized in accordance with IFRS) for such period.

“Maximum Total Leverage Ratio” means, as of the last day of any fiscal quarter, the ratio of (a) Consolidated Total Debt as of such day to (b) Consolidated EBITDA for the Computation Period ending on such day minus cash payments made in respect of operating lease liabilities in accordance with IFRS for such period.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document, or otherwise with respect to any Loan or Letter of Credit (including, without limitation, the obligations to pay, discharge or satisfy any Erroneous Payment Subrogation Rights), in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided that the “Obligations” shall exclude any Excluded Swap Obligations.

“Payment Recipient” has the meaning assigned to it in Section 8.15(a).

“Permitted Encumbrances” means:

(a) Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 5.4;

(b) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 5.4;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, other than any Lien imposed by ERISA;

(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) judgment liens in respect of judgments that do not constitute an Event of Default under Section 7.1(k);

(f) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Borrower or any Subsidiary;

(g) any interest or title of a lessor under any operating lease entered into by the Borrower or any Subsidiary in the ordinary course of its business and covering only the assets so leased;

(h) leases and subleases granted to others by the Borrower or any Subsidiary of the Borrower in the ordinary course of business on any real property that do not materially interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(i) non-exclusive licenses of intellectual property granted in the ordinary course of business which do not, in any case, (x) materially detract from the value of the intellectual property subject thereto or (y) materially interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries and exclusive licenses of intellectual property granted in connection with any sale of assets permitted hereunder;

(j) Liens in favor of customs and revenue authorities arising as a matter of law which secure payment of customs duties in connection with the importation of goods;

(k) Liens arising solely by virtue of any statutory or common law provision relating to bankers' liens, rights of setoff or similar rights;

(l) customary restrictions on dispositions of assets to be disposed of pursuant to merger agreements, stock or asset purchase agreements and similar agreements, in each case, to the extent the entry into such agreements is otherwise permitted hereunder;

(m) Liens securing lease, utility and other similar deposits in the ordinary course of business;

(n) setoff rights in connection with repurchase obligations in favor of the counterparty to such obligations in connection with Cash Equivalent Investments of a type referred to in clause (d) of the definition thereof;

(o) customary restrictions on assignment and transfer in intellectual property licenses under which the Borrower or any Subsidiary is a licensor or licensee; and

(p) precautionary Liens filed in connection with any Disposition permitted under Section 6.5(f);

provided that, the term “Permitted Encumbrances” shall not include any Lien securing Indebtedness.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“SOFR” means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

“Term Loan Commitment Termination Date” means the earlier of (i) the first date on which Term Loans are funded in full pursuant to the terms hereof and (ii) the date that is six (6) months following the First Amendment Effective Date.

“Term SOFR” means, for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“USD LIBOR” means the London interbank offered rate for Dollars.

Section 2.3 Deletions. Section 1.1 of the Credit Agreement shall be amended by deleting the following definitions in their entirety: “Benchmark Replacement Adjustment”, “Benchmark Replacement Date”, “Benchmark Transition Start Date”, “Benchmark Unavailability Period”, “Federal Reserve Bank of New York’s Website”, “Fixed Charge Coverage Ratio” and “Interest Expense”.

Section 2.4 Amendments to Section 1.9.

(a) Section 1.9(a) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

(a) [Reserved].

(b) Section 1.9(b) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

(b) [Reserved].

(c) Section 1.9(c) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

(c) The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to any Benchmark, any component definition thereof or rates referenced in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of any Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service. The Administrative Agent shall not be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of LIBO Rate (or other applicable Benchmark) and absence of a designated replacement Benchmark, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, including without limitation the Required Lenders, in providing any direction, instruction, notice or information required or contemplated by the terms of this Agreement and reasonably required for the performance of such duties. In the event the Administrative Agent on any interest determination date is required, but is unable, to determine LIBO Rate or other applicable or replacement Benchmark in accordance with the procedures set out in this Agreement, LIBO Rate or the applicable or replacement Benchmark will be LIBO Rate as determined on the previous interest determination date.

Section 2.5 Amendments to Section 2.9. Section 2.9(b) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

(b) The Borrower hereby unconditionally promises to pay to the Administrative Agent, for the account of each Term Lender, such Term Lender's Applicable Percentage of the initial aggregate principal amount of Term Loans extended to the Borrower in equal quarterly amounts for each year following the First Amendment Effective Date equal to five percent (5.0%) thereof (which payments shall be made, commencing with the first full fiscal quarter following the Borrowing thereof, on the last day of each March, June, September and December of each year), with any then-unpaid principal amount, together with all other amounts owed with respect thereto, payable on the Term Loan Maturity Date.

Section 2.6 Amendments to Section 2.16. Section 2.16 of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

Section 2.16 Break-funding Payments. In the event that (i) any payment of principal of a Eurodollar Loan is required, made or permitted on a date other than the last day of the then-current Interest Period applicable thereto (including as a result of an Event of Default or any

prepayment pursuant to Section 2.10), (ii) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, or (iii) the failure to convert, continue, borrow or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event in an amount computed as follows: the excess, if any, of (x) the amount of interest that would have accrued on the principal amount of such Eurodollar Loan had such event not occurred, at the interest rate that would have been applicable to such Eurodollar Loan, for the period from the date of such event to the last day of the then-current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Eurodollar Loan), over (y) the amount of interest that would accrue on such principal amount for such Interest Period at the interest rate that such Lender would bid were it to bid, at the commencement of the interest period, for Dollar deposits of a comparable amount and period from other banks in the London interbank eurodollar market. A certificate of any Lender delivered to the Borrower and setting forth any amount or amounts that such Lender is entitled to receive pursuant to this paragraph shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate upon demand and in any event within ten (10) days after receipt thereof.

Section 2.7 Amendments to Section 2.23. Section 2.23 of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

- (a) Replacing USD LIBOR. On March 5, 2021 the Financial Conduct Authority (“FCA”), the regulatory supervisor of USD LIBOR’s administrator (“IBA”), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12-month USD LIBOR tenor settings. On the earlier of (i) the date that all Available Tenors of USD LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is USD LIBOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.
- (b) Replacing Future Benchmarks. Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower’s receipt of notice from the Administrative Agent that a Benchmark Replacement

has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans. During the period referenced in the foregoing sentence, the component of Base Rate based upon the Benchmark will not be used in any determination of Base Rate.

- (c) Benchmark Replacement Conforming Changes. In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.
- (d) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.23, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 2.23.
- (e) Unavailability of Tenor of Benchmark. At any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

Section 2.8 Amendments to Article III. Article III of the Credit Agreement shall be amended by adding the following Section 3.25 therein to read as follows:

Section 3.25 Beneficial Ownership Certification. As of the First Amendment Effective Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects.

Section 2.9 Amendments to Article V. Article V of the Credit Agreement shall be amended by adding the following Section 5.13 therein to read as follows:

Section 5.13 Beneficial Ownership Certification. Promptly following any request therefor, the Borrower shall provide information and documentation reasonably requested by the Administrative Agent for purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation.

Section 2.10 Amendments to Section 6.1. Section 6.1(a) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

- (a) Interest Coverage Ratio. The Borrower shall not permit the Interest Coverage Ratio as of the last day of any Computation Period to be less than 3.00 to 1.00 for such Computation Period.

Section 2.11 Amendments to Section 6.4. Section 6.4(iv)(B) of the Credit Agreement is hereby amended by deleting the words “Fixed Charge Coverage Ratio” in their entirety where they appear and replacing with the words “Interest Coverage Ratio”.

Section 2.12 Amendments to Section 6.15. Section 6.15(b) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

- (b) No part of the proceeds of the Loans or Letters of Credit will be used, directly or indirectly, for any payments that could constitute a violation of any applicable anti-bribery law.

Section 2.13 Amendments to Article VIII. Article VIII of the Credit Agreement shall be amended by adding the following Section 8.15 therein to read as follows:

- (a) If the Administrative Agent (x) notifies a Lender, Issuing Bank or Secured Party, or any Person who has received funds on behalf of a Lender, Issuing Bank or Secured Party (any such Lender, Issuing Bank, Secured Party or other recipient (and each of their respective successors and assigns), a “Payment Recipient”) that the Administrative Agent has determined in its sole and absolute discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Administrative Agent) received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Bank, Secured Party or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an “Erroneous Payment”) and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent pending its return or repayment as contemplated below in this Section 8.15 and held in trust for the benefit of the Administrative Agent, and such Lender, Issuing Bank or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter (or such later date as the Administrative Agent may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.
- (b) Without limiting immediately preceding clause (a), each Lender, Issuing Bank, Secured Party or any Person who has received funds on behalf of a Lender, Issuing Bank or Secured Party (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or

repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, Issuing Bank or Secured Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

- (i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
- (ii) such Lender, Issuing Bank or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 8.15(b).

For the avoidance of doubt, the failure to deliver a notice to the Administrative Agent pursuant to this Section 8.15(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 8.15(a) or on whether or not an Erroneous Payment has been made.

- (c) Each Lender, Issuing Bank or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender, Issuing Bank or Secured Party under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender, Issuing Bank or Secured Party under any Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Administrative Agent has demanded to be returned under immediately preceding clause (a).
- (d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent (but the

failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Administrative Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Administrative Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Administrative Agent will reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

- (ii) Subject to Section 9.4(b) (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Administrative Agent on or with respect to any such Loans acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by the Administrative Agent) and (y) may, in the sole discretion of the Administrative Agent, be reduced by any amount specified by the Administrative Agent in writing to the applicable Lender from time to time.
- (e) The parties hereto agree that (x) irrespective of whether the Administrative Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender, Issuing Bank or Secured Party, to the rights and interests of such Lender, Issuing Bank or Secured Party, as the case may be) under the Loan Documents with respect to such amount (the "Erroneous Payment Subrogation Rights") (provided that the Loan Parties' Secured Obligations under the Loan Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Secured Obligations in respect of Loans that have been assigned to the Administrative Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Secured Obligations owed by the Borrower or any other Loan Party; provided that this Section 8.15 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by the Administrative Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is,

and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower for the purpose of making such Erroneous Payment.

- (f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.
- (g) Each party’s obligations, agreements and waivers under this Section 8.15 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Secured Obligations (or any portion thereof) under any Loan Document.

Section 2.14 Amendments to Section 9.4(b). Section 9.4(b)(i)(B) of the Credit Agreement shall be amended by deleting it in its entirety and restating it to read as follows:

- (B) in any case not described in clause (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if a “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 (or, if less, the amount of any Erroneous Payment Deficiency Assignment), in the case of any assignment in respect of the Revolving Facility, or \$1,000,000, in the case of any assignment in respect of the Term Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

Section 2.15 Amendments to Exhibit H. Exhibit H attached to the Credit Agreement is hereby amended by deleting the words “Fixed Charge Coverage Ratio” in their entirety where they appear and replacing with the words “Interest Coverage Ratio”.

Section 3 Representations and Warranties. The Borrower represents and warrants to the Administrative Agent, the Issuing Banks and the Lenders that:

Section 3.1 This Amendment (i) has been duly authorized by all requisite limited liability company or corporate or other applicable organizational actions and, if required, actions by stockholder and other equity holders of the Borrower, (ii) has been duly executed and delivered by the Borrower, (iii) constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

Section 3.2 The representations and warranties of the Borrower in the Credit Agreement and the other Loan Documents are true, correct and complete in all material respects

(except to the extent already qualified by materiality, in which case any such representation or warranty shall be true and correct in all respects) on and as of the date of this Amendment, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (except to the extent already qualified by materiality, in which case any such representation or warranty shall be true and correct in all respects) on and as of such earlier date; and

Section 3.3 As of the date of this Amendment and immediately after giving effect to this Amendment, no Default or Event of Default shall have occurred or is continuing.

Section 4 Conditions Precedent. This Amendment shall become effective on the date on which each of the following conditions precedent are satisfied (such date, the “First Amendment Effective Date”):

Section 4.1 The Administrative Agent (or its counsel) shall have received (a) a counterpart of this Amendment executed by the Borrower and the Lenders and (b) a counterpart of (i) the Third Reaffirmation of Luxembourg Guaranty Agreement executed by Globant S.A. (Luxembourg), (ii) the Third Reaffirmation of Spanish Guaranty Agreement executed Globant S.A. (Spain), (iii) the First Reaffirmation of Guaranty Agreement executed by Globant IT Services Corp., (iv) the First Reaffirmation of Security Agreement executed by Globant IT Services Corp., and (v) the Third Reaffirmation of Security Agreement executed by the Borrower; and

Section 4.2 The Administrative Agent shall have received a certificate of an officer of the Borrower certifying (i) that there have been no changes in any organizational documents of the Borrower since the Effective Date, (ii) resolutions of the sole member of the Borrower authorizing the execution, delivery and performance of this Amendment, (iii) a certificate of good standing of the Borrower from the Secretary of State of Delaware dated as of a recent date, and (iv) the identity, authority, capacity and true signature of each Responsible Officer of the Borrower authorized to act as a Responsible Officer in connection with this Amendment and any other legal matters relating to the Borrower and this Amendment; and

Section 4.3 To the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least three Business Days prior to the First Amendment Effective Date, if the Administrative Agent or any Lender has requested, in a written notice to the Borrower, a Beneficial Ownership Certification in relation to the Borrower, then the Administrative Agent or such Lender shall have received such Beneficial Ownership Certification; and

Section 4.4 The Administrative Agent shall have received copies of Uniform Commercial Code and other Lien search reports dated a date near to the Effective Date, listing all effective financing statements and other Lien filings that name the Borrower (under its current name and any previous names) as debtor, together with (a) copies of such financing statements or other Lien filings, and (b) such Uniform Commercial Code termination statements or amendments or other Lien terminations, as applicable, as the Administrative Agent may request; and

Section 4.5 The Administrative Agent shall have received favorable written legal opinions (addressed to the Administrative Agent and the Lenders and dated the First Amendment Effective Date) of New York counsel for the Loan Parties, in form and substance reasonably

satisfactory to the Administrative Agent, and covering such other matters relating to the Loan Parties, the Loan Documents as the Required Lenders shall reasonably request; and

Section 4.6 Since December 31, 2018, there shall not have occurred any Material Adverse Effect; and

Section 4.7 The Administrative Agent shall have received an amendment fee for the account of each Term Lender in an amount equal to 0.025% of the amount of Term Loan Commitments extended pursuant to the terms of this Amendment. Once paid, such amendment fee shall be non-refundable; and

Section 4.8 The Administrative Agent shall have received evidence of payment of any other costs, expenses, fees and other compensation (including attorneys' costs, expenses and fees) required to be paid to the Administrative Agent by the Borrower pursuant to the Credit Agreement or any other written agreement on or prior to the First Amendment Effective Date; and

Section 4.9 The Administrative Agent shall notify the Borrower and the Lenders of the First Amendment Effective Date, and such notice shall be conclusive and binding.

Section 5 Miscellaneous.

Section 5.1 Costs and Expenses. The Borrower hereby agrees to pay on demand all costs and expenses of the Administrative Agent (including attorneys' costs, expenses and fees) in connection with the preparation, negotiation, execution, and delivery of this Amendment. This covenant shall survive termination of this Amendment and the payment of the Obligations.

Section 5.2 Governing Law. This Amendment and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Amendment and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York, without regard to conflicts of law principles except Title 14 of Article 5 of the New York General Obligations law.

Section 5.3 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 5.3.

Section 5.4 Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and

enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

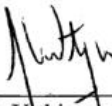
Section 5.5 Execution in Counterparts; Etc. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 5.6 Credit Agreement. Except as amended hereby, the Credit Agreement shall continue in full force and effect in accordance with the provisions thereof. This Amendment is a Loan Document executed under the Credit Agreement and shall be construed in accordance with the Credit Agreement.


[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

GLOBANT, LLC,
as Borrower

By: 
Name: Juan Urthiague
Title: Chief Financial Officer

HSBC BANK USA, NATIONAL ASSOCIATION, as
Administrative Agent

By 
Name: Ershad Sattar
Title: VP

HSBC BANK USA, NATIONAL ASSOCIATION, as
Issuing Bank

By Vanessa Printz
Name: Vanessa Printz
Title: Senior Vice President


HSBC BANK USA, NATIONAL ASSOCIATION, as
Swingline Lender

By *Vanessa Printz*
Name: Vanessa Printz
Title: Senior Vice President


HSBC BANK USA, NATIONAL ASSOCIATION, as
Lender


By *Vanessa Printz*
Name: Vanessa Printz
Title: Senior Vice President

CITIBANK, N.A.,
as Lender

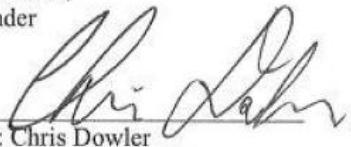
By 
Name: Siddharth Bansal
Title: Vice President

BNP PARIBAS,
as Lender

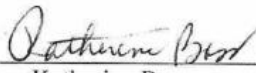
By 
Name: LOUIS-MARTIN ANGEVIN
Title: DIRECTOR, CORPORATE COVERAGE

By 
BNP Paribas
Name: EVE RAVELOSAONA
Title: DIRECTOR, CORPORATE COVERAGE

BBVA USA,
as Lender

By 
Name: Chris Dowler
Title: Senior Vice President

TRUIST BANK,
as Lender

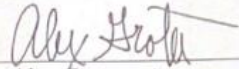
By 
Name: Katherine Bass
Title: Director

U.S. BANK NATIONAL ASSOCIATION,
as Lender

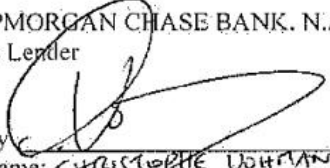
By _____
Name: Glenn Leyrer
Title: Vice President



SILICON VALLEY BANK,
as Lender

By 
Name: Alex Grotevant
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as Lender

By 
Name: CHRISTOPHE UFFMANN
Title: EXECUTIVE DIRECTOR

BANK OF AMERICA, N.A.,
as Lender

By 

Name: GONZALO ISAACS

Title: MANAGING DIRECTOR

GLOBANT S.A.
1,200,000 Common Shares
Underwriting Agreement

May 25, 2021

Goldman Sachs & Co. LLC
Citigroup Global Markets Inc.
As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

and

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

Ladies and Gentlemen:

Globant S.A. (the "Company"), a *société anonyme* organized under the laws of Luxembourg, having its registered office at 37A Avenue J.F. Kennedy, L-1855, Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 173 727, proposes to issue and sell to the several Underwriters listed in Schedule 1 hereto (the "Underwriters") who will be subscribing therefor, for whom you are acting as representatives (the "Representatives"), 1,200,000 common shares, nominal value U.S.\$1.20 per share (the "Common Shares") of the Company (the "Underwritten Shares") and, at the option of the Underwriters, up to an additional 180,000 Common Shares of the Company (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares." The Company hereby confirms its agreement with the several Underwriters concerning the subscription and purchase and issuance and sale of the Shares, as follows:

1. Registration Statement. The Company has, not earlier than three years prior to the date hereof, prepared and filed with the Securities and Exchange Commission (the "Commission") under the U.S. Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form F-3 (File No. 333-225731). Such registration statement, including all exhibits thereto and any prospectus supplement relating to the Shares that is filed with the Commission and deemed by virtue of Rule 430B to be part of such registration statement, each as amended at the time such part of the registration statement became effective, is referred to herein as the "Registration Statement"; as used herein, "Preliminary Prospectus" means each preliminary prospectus (including any preliminary prospectus supplement) relating to the Shares filed with the Commission pursuant to Rule 424(b) under the Securities Act; and as used herein "Prospectus" means the final prospectus relating to the Shares filed with the Commission pursuant to Rule 424(b) under the Securities Act in accordance with Section 5(a) hereof. Any reference herein to

the Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 6 of Form F-3 under the Securities Act as of the date of such prospectus. Any reference to any amendment or supplement to the Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any post-effective amendment to the Registration Statement, any prospectus supplement relating to the Shares filed with the Commission pursuant to Rule 424(b) under the Securities Act and any documents filed under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and incorporated by reference therein, in each case after the date of the Preliminary Prospectus or the Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex B hereto, the “Pricing Disclosure Package”): a Preliminary Prospectus dated May 24, 2021 (including the base prospectus dated June 20, 2018 forming a part of the Registration Statement and the documents incorporated therein by reference) and each “free-writing prospectus” (as defined pursuant to Rule 405 under the Securities Act) listed on Annex C hereto.

“Applicable Time” means 7:00 P.M. (New York City time), on May 25, 2021.

2. Subscription and Purchase of the Shares by the Underwriters. (a) The Company agrees to issue and sell the Underwritten Shares to the several Underwriters as provided in this Agreement, and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to subscribe for and purchase at a price per Share (the “Subscription and Purchase Price”) of U.S.\$207.7940 from the Company the respective number of Underwritten Shares set forth opposite such Underwriter’s name in Schedule I hereto. The Subscription and Purchase Price for each of the Underwritten Shares will be paid by the Underwriters to the Company by (i) offsetting an amount equal to the discounts and commissions with respect to each such Underwritten Share unquestioned, due and payable by the Company to the Underwriters (the “Underwriter Claim”), and therefore deducting the Underwriter Claim from the Price to Public per Share set forth on Annex B hereto and (ii) paying the balance of the amount in clause (i) in cash (for the avoidance of doubt, the aggregate payment made by the Underwriters to the Company for the Underwritten Shares will equal the Subscription and Purchase Price per Share times the total number of Shares purchased).

In addition, the Company agrees to issue and sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to subscribe for and purchase, severally and not jointly, from the Company the Option Shares at the Subscription and Purchase Price less an amount per Common Share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares. If any Option Shares are to be subscribed for or purchased, the number of Option Shares to be subscribed for and purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being subscribed for and purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being subscribed for and purchased from the Company by the several

Underwriters, subject, however, to such adjustments to eliminate any fractional shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to subscribe for and purchase Option Shares at any time in whole, or from time to time in part on no more than two occasions, on or before the 30th day following the date of the Prospectus, by written notice from the Representatives to the Company. Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date or later than the 10th full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein; *provided* that if the Option Shares are to be delivered and paid for on the Closing Date, such notice may be given one business day prior to the Closing Date.

(b) The Company understands that the Underwriters intend to make a public offering of the Shares as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Shares on the terms set forth in the Prospectus. The Company acknowledges and agrees that the Underwriters may offer and sell Shares to or through any affiliate (as hereinafter defined) of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the account or accounts specified by the Company in writing, to the Representatives in the case of the Underwritten Shares, at the offices of Simpson Thacher & Bartlett LLP at 8:00 A.M. (New York City time) on May 28, 2021, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to subscribe for and purchase such Option Shares. With respect to each Option Share, the Underwriter Claim will be offset in an equal amount against, and therefore deducted from, the Price to Public per Share set forth on Annex B hereto (in full payment thereof in an equal amount). The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date," and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date."

Payment for the Shares to be subscribed for and purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made immediately prior to the delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be subscribed for and purchased on such date or the Additional Closing Date, as the case may be, with any Transfer Taxes (as defined below) payable in connection with the issuance and sale of such Shares duly paid by the Company. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("DTC") unless the Representatives shall otherwise instruct. The register of share capital, or a copy thereof, shall be made available for inspection by the Representatives or their counsel not later than 9:00 A.M. (New York City time) on the business day prior to the Closing Date or the Additional Closing Date, as the case may be.

(d) The Company acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, none of the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters

in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions shall be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

(e) The Company acknowledges that the Underwriters' research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and internal policies, and that such Underwriters' research analysts may hold views and make statements or investment recommendations and/or publish research reports with respect to the Company and/or the offering that differ from the views of their respective investment banking divisions. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their independent research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Company by such Underwriters' investment banking divisions. The Company acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the companies that may be the subject of the transactions contemplated by this Agreement.

3. Representations, Warranties and Agreements of the Company. The Company represents and warrants to, and agrees with, each Underwriter, as of the date hereof, as of the Closing Date, and as of the Additional Closing Date, that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission; each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act; and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus (it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(b) hereof).

(b) *Pricing Disclosure Package.* The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package (it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(b) hereof).

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and

representatives, other than the Underwriters in their capacity as such) has not prepared, used, authorized, approved or referred to and will not prepare, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex C hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus (it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(b) hereof).

(d) *Registration Statement and Prospectus.* The Registration Statement has become effective under the Securities Act. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment or supplement thereto, the Registration Statement and any such post-effective amendment or supplement complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto (it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(b) hereof).

(e) *Documents Incorporated by Reference.* The documents incorporated by reference in the Pricing Disclosure Package and the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; any further documents so filed and incorporated by reference

in the Pricing Disclosure Package and the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and no such documents were filed with the Commission since the Commission's close of business on the business day immediately prior to the date of this Agreement and prior to the execution of this Agreement.

(f) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries (as hereinafter defined) included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act or the Exchange Act, as applicable, and present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with, in the case of the consolidated financial statements as of December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020, International Financial Reporting Standards or, in the case of the condensed interim consolidated financial statements as of March 31, 2021 and for the three months ended March 31, 2021 and 2020, International Accounting Standard 34, and in each case as issued by the International Accounting Standards Board ("IFRS") applied on a consistent basis throughout the periods covered thereby, and any supporting schedules included or incorporated by reference in the Registration Statement present fairly, in all material respects, the information required to be stated therein; and the other financial information included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly, in all material respects, the information shown thereby.

(g) *Status Under the Securities Act.* (A) (i) At the time of filing the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Securities Act) made any offer relating to the Shares in reliance on the exemption of Rule 163 under the Securities Act, the Company was a "well-known seasoned issuer" as defined in Rule 405 under the Securities Act; and (B) at the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares, and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act.

(h) *Testing-the-Waters Materials.* The Company (i) has not engaged in any Testing-the-Waters Communications and (ii) has not authorized anyone to engage in Testing-the-Waters Communications. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act.

(i) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included or incorporated by reference in the Registration Statement,

the Pricing Disclosure Package and the Prospectus, (i) there has not been (a) any material change in the share capital, short-term debt or long-term debt of the Company or any of its subsidiaries, (b) any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of share capital, or (c) any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, management, financial position, shareholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority; except, in the case of clauses (i), (ii) and (iii) immediately above, as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(j) *Organization and Good Standing.* The Company and each of its consolidated subsidiaries have been duly organized and are validly existing and in good standing (to the extent this concept exists in the relevant jurisdiction) under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, except where the failure to so qualify or to be in good standing could not reasonably be expected to result in a Material Adverse Effect (as such term is defined below), and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged. The subsidiaries listed in Schedule 2 hereto are the only significant subsidiaries (as hereinafter defined) of the Company.

(k) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the caption "Capitalization"; all of the outstanding share capital of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any share capital or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any share capital of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the share capital of the Company conforms in all material respects to the description thereof contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus; all the outstanding share capital or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party; and the aggregate number of Underwritten Shares and Option Shares, any authorized but unissued Common Shares reserved or allocated (directly or implicitly) for issuance upon exercise of rights under any convertible or exchangeable securities issued by the Company or any other debt securities, options, warrants or other instruments convertible into Common Shares or otherwise giving the right to, or any other right giving the right to, obtain issuance of Common Shares, is not in excess of the authorized but unissued share capital of the Company.

(l) *No Rated Securities.* There are no debt securities or preferred stock of or guaranteed by the Company or any of its subsidiaries that are rated by a “nationally recognized statistical rating organization,” as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act.

(m) *Share Options.* With respect to the share options (the “Share Options”) granted pursuant to the share-based compensation plans of the Company and its subsidiaries (the “Company Share Plans”), (i) each Share Option intended to qualify as an “incentive stock option” under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), so qualifies, (ii) each grant of a Share Option was duly authorized no later than the date on which the grant of such Share Option was by its terms to be effective (the “Grant Date”) by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required shareholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in accordance with the terms of the Company Share Plans, the Exchange Act, and all other applicable laws and regulatory rules or requirements, including the rules of the New York Stock Exchange (the “Exchange”), and (iv) each such grant was properly accounted for in accordance with IFRS in the financial statements (including the related notes) of the Company. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company of granting, Share Options prior to, or otherwise coordinating the grant of Share Options with, the release or other public announcement of material information regarding the Company or its subsidiaries or their results of operations or prospects.

(n) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(o) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(p) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and the shareholders’ preemptive right to subscribe for the Shares has been validly waived by decision of the general meeting of shareholders of the Company held on April 3, 2020 in accordance with the provisions of applicable Luxembourg law, including, in particular, the law of August 10, 1915 on commercial companies, and when issued, delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and non-assessable and will conform to the description thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(q) *Descriptions of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(r) *No Violation or Default.* Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is

subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any European Union, Luxembourg, Argentine, U.S. federal or state or other governmental or regulatory authority or court or arbitrator, except, with respect to clauses (ii) and (iii) above, for any such default or violation that, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the business, properties, management, financial position, shareholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect").

(s) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated by this Agreement will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any European Union, Luxembourg, Argentine, U.S. federal or state or other governmental or regulatory authority or court or arbitrator.

(t) *No Consents Required.* No consent, approval, authorization, order, license, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated by this Agreement, except for (i) the recording of the issuance of the Shares by way of a notarial deed to be filed and published in accordance with applicable Luxembourg law in connection with the issuance of the Shares; *provided* that the failure to record the issuance of the Shares shall not affect the validity thereof, (ii) the registration of the Shares under the Securities Act, (iii) the approval by the Exchange of the listing of the Shares, and (iv) such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(u) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, suits or proceedings pending to which the Company or any of its subsidiaries is or may be a party or to which any property of the Company or any of its subsidiaries is or may be the subject that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect; no such investigations, actions, suits or proceedings are threatened or, to the knowledge of the Company, contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending legal, governmental or regulatory actions, suits or proceedings that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(v) *Independent Accountants.* Each of (i) Deloitte & Co. S.A., who as of February 25, 2020, and during the periods covered by the financial statements on which they reported, certified certain financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, was an independent registered public accounting firm with respect to the Company and its subsidiaries within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the Commission and the Public Company Accounting Oversight Board (United States), and (ii) Price Waterhouse & Co. S.R.L., who have audited the financial statements as of December 31, 2020 and for the year ended December 31, 2020 of the Company and its subsidiaries included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, and reviewed the condensed interim consolidated financial statements as of March 31, 2021 and for the three months ended March 31, 2021 and 2020 of the Company and its subsidiaries included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the Commission and the Public Company Accounting Oversight Board (United States).

(w) *Title to Real and Personal Property.* The Company and its subsidiaries have good and marketable title in fee simple (in the case of real property) to, or have valid and marketable rights to lease or otherwise use, all items of real and personal property and assets that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(x) *Title to Intellectual Property.* The Company and its subsidiaries own or possess adequate rights to use, on reasonable terms, all patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, know-how and other intellectual property (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) (collectively, the "Intellectual Property") necessary for the conduct of their respective businesses as currently conducted and as proposed in the Registration Statement, the Pricing Disclosure Package and the Prospectus to be conducted. (i) There are no rights of third parties to any such Intellectual Property; (ii) there is no material infringement by third parties of any such Intellectual Property; (iii) there is no pending or threatened action, suit, proceeding or claim by others challenging the Company's, or any of its subsidiaries', rights in or to, or that interferes with the issued or pending claims to, any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (iv) there is no pending or threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; and (v) there is no pending or threatened action, suit, proceeding or claim by others that the Company or any of its subsidiaries infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others, and the Company is unaware of any other fact which would form a reasonable basis for any such claim.

(y) *Descriptions of Intellectual Property.* The statements contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the captions "D. Risk Factors—Risks Related to Our Business and Industry—We may not be able to prevent unauthorized use of our intellectual property and our intellectual property

rights may not be adequate to protect our business, competitive position, results of operations and financial condition,” “D. Risk Factors—Risks Related to Our Business and Industry—If we incur any liability for a violation of the intellectual property rights of others, our reputation, business, financial condition and prospects may be adversely affected” and “B. Business overview—Intellectual Property,” insofar as such statements summarize legal matters, agreements, documents, or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(z) *No Undisclosed Relationships.* No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, shareholders, customers or suppliers of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(aa) *Investment Company Act.* The Company is not required to register as an “investment company” within the meaning of the U.S. Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Investment Company Act”).

(ab) *Taxes.* The Company and its subsidiaries have paid all taxes and filed all tax returns required to be paid or filed through the date hereof, except (i) as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (ii) for taxes, if any, as are being contested in good faith and as to which adequate reserves have been established by the Company, or (iii) insofar as the failure to pay such taxes or file such returns would not reasonably be expected to result in a Material Adverse Effect; and there is no tax deficiency that has been, or, to the knowledge of the Company, could reasonably be expected to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets, except for assessments against which appeals have been or will promptly be taken and as to which adequate reserves have been or will promptly be provided.

(ac) *Licenses and Permits.* The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate European Union, Luxembourg, Argentine or U.S. federal, state or local or other governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to so possess the same would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course, except where such revocation, modification or nonrenewal would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ad) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries’ principal suppliers, contractors or customers, except as would not reasonably be expected to give rise to a Material Adverse Effect.

(ae) *Compliance with and Liability under Environmental Laws.* (i) Except in each case as could not reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries (a) are, and at all prior times were, in compliance with any and all applicable

European Union, Luxembourg, Argentine and U.S. federal, state and local and other applicable laws, rules, regulations or requirements and applicable common law relating to pollution or the protection of the environment, natural resources or human health or safety, including those relating to the generation, storage, treatment, use, handling, transportation, release or threat of release of harmful or deleterious substances (collectively, "Environmental Laws"), (b) have received and are in compliance with all permits, licenses, certificates or other authorizations or approvals required of them under applicable Environmental Laws to conduct their respective businesses, (c) have not received written notice of any actual or potential liability under or relating to, or actual or potential violation of, any Environmental Laws and have no knowledge of any event or condition that would reasonably be expected to result in any such notice, (d) are not conducting or paying for, in whole or in part, and investigation, remediation or other corrective action pursuant to any Environmental Law at any location, and (e) are not a party to any order, decree or agreement that imposes any obligation or liability under any Environmental Law, and (ii) except as described the Registration Statement, the Pricing Disclosure Package and the Prospectus, (a) there are no proceedings that are pending, or that are known to be contemplated, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of U.S.\$100,000 or more will be imposed, and (b) none of the Company and its subsidiaries anticipates material capital expenditures relating to any Environmental Laws.

(af) *Compliance with ERISA.* (i) Each employee benefit plan, within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Code) would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to, ERISA and the Code, except for noncompliance that could not reasonably be expected to result in material liability to the Company and its subsidiaries taken as a whole; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan that could reasonably be expected to result in a material liability to the Company and its subsidiaries taken as a whole; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, the minimum funding standard of Section 412 of the Code or Section 302 of ERISA, as applicable, has been satisfied (without taking into account any waiver thereof or extension of any amortization period) and is reasonably expected to be satisfied in the future (without taking into account any waiver thereof or extension of any amortization period); (iv) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur that either has resulted, or could reasonably be expected to result, in material liability to the Company and its subsidiaries taken as a whole; (v) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation (the "PBGC"), in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA); and (vi) there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the PBGC or any other governmental agency or any foreign regulatory agency with respect to any Plan that could reasonably be expected to result in material liability to the Company and its subsidiaries taken as a whole. None of the following events has occurred or is reasonably likely to occur: (x) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company and its subsidiaries taken as a whole in the current fiscal year of the Company and its subsidiaries compared to the amount of such contributions made in the Company and its subsidiaries' most recently completed fiscal year; or (y) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit

obligations” (within the meaning of Statement of Financial Accounting Standards 106) compared to the amount of such obligations in the Company and its subsidiaries’ most recently completed fiscal year.

(ag) *Disclosure Controls.* The Company and its subsidiaries maintain an effective system of “disclosure controls and procedures” (as such term is defined in Rule 13a-15(e) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

(ah) *Accounting Controls.* The Company and its subsidiaries maintain a consolidated system of “internal control over financial reporting” (as defined in Rule 13a-15(f) of the Exchange Act) that complies with the requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including, but not limited to internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Based on the Company’s evaluation of its internal controls over financial reporting in connection with the preparation of its consolidated financial statements for the year ended December 31, 2020, the Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting.

(ai) *Insurance.* The Company and its subsidiaries have insurance from insurers of recognized financial responsibility covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as are prudent, adequate and in accordance with market and industry practice to protect the Company and its subsidiaries and their respective businesses; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause, other than denials of coverage that are being contested in good faith by the Company; neither the Company nor any subsidiary has been refused any material insurance coverage sought or applied for; and neither the Company nor any of its subsidiaries has (i) received written notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business at a cost that would not reasonably be expected to have a Material Adverse Effect.

(aj) *Cybersecurity; Data Protection.* The Company and its subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted, and, to the knowledge of the Company, are free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and its subsidiaries have implemented and maintained commercially reasonable controls, policies, procedures, and safeguards designed to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems, material confidential information and all personal, personally identifiable and sensitive personal data as such terms are defined by applicable privacy law ("Personal Data") used in connection with their businesses, and, to the knowledge of the Company, there have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company and its subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems, Personal Data, and material confidential information and to the protection of such IT Systems, Personal Data, and material confidential information from unauthorized use, access, misappropriation or modification.

(ak) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(al) *Compliance with Anti-Money Laundering Laws.* The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the U.S. Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(am) *No Conflicts with Sanctions Laws.* Neither the Company, nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked person”), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority (collectively, “Sanctions”), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea and Syria (each, a “Sanctioned Country”); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(an) *No Restrictions on Subsidiaries.* Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary’s share capital, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary’s properties or assets to the Company or any other subsidiary of the Company.

(ao) *No Broker’s Fees.* Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against the Company or any of its subsidiaries or any Underwriter for a brokerage commission, finder’s fee or like payment in connection with the offering and sale of the Shares.

(ap) *No Registration Rights.* No person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Shares by the Company hereunder.

(aq) *No Stabilization.* The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(ar) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(as) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included or

incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(at) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or, to the knowledge of the Company, any of the Company's directors or officers, in their capacities as such, to comply with any provision of the U.S. Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith applicable to the Company (the "Sarbanes-Oxley Act"), including, without limitation, Section 402 related to loans and Sections 302 and 906 related to certifications.

(au) *Accuracy*. There is no franchise, contract or other document of a character required to be described in the Registration Statement, Pricing Disclosure Package or Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required (and the Preliminary Prospectus contains in all material respects the same description of the foregoing matters contained or incorporated by reference in the Prospectus); and the statements in the Preliminary Prospectus and the Prospectus under the caption "Taxation" insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(av) *Passive Foreign Investment Company*. The Company believes it was not a "passive foreign investment company" as defined in Section 1297 of the Code and the regulations promulgated thereunder, for the taxable year ended December 31, 2020; and the Company does not reasonably expect to be considered as such for the taxable year ending December 31, 2021 or any future year.

(aw) *Foreign Private Issuer*. The Company is a "foreign private issuer" (as defined in Rule 3b-4(c) under the Exchange Act).

(ax) *Transfer and Similar Taxes*. There are no documentary, stamp, other issuance or transfer taxes, sales or value added taxes or duties or other similar fees or charges ("Transfer Taxes") and no capital gains, income, withholding or other taxes required to be paid by or on behalf of the Underwriters or the Company in any applicable taxing jurisdiction or any political subdivision or taxing authority thereof in connection with: (i) the offer, issuance and sale and delivery of the Shares to or for the respective accounts of such Underwriters; (ii) the sale and delivery by such Underwriters of the Shares to the initial purchasers thereof; (iii) the execution and delivery of this Agreement or any payment to be made pursuant to this Agreement; and (iv) the consummation of the transactions contemplated by this Agreement, except that, in the case of (x) proceedings before a Luxembourg court or (y) the presentation of this Agreement (either directly or by way of reference) to an *autorité constituée*, such court or *autorité constituée* may require registration of this Agreement and of all or part of the documents referred to in this Agreement with the *Administration de l'Enregistrement et des Domaines* in Luxembourg, which may result in registration duties becoming due and payable, at a fixed rate of €12 or at an ad valorem rate which depends on the nature of the registered document.

(ay) *Distributions in Respect of Common Shares*. Except as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no approvals are currently required in Luxembourg in order for the Company to pay dividends or other distributions declared by the Company to the holders of Common Shares; and under current laws and regulations of Luxembourg, any amounts payable with respect to the Common Shares upon liquidation of the Company or upon redemption thereof and dividends and other distributions declared and payable on the Common Shares may be paid by the Company in U.S. dollars and freely transferred out of Luxembourg. Except as otherwise disclosed in the Registration

Statement, the Pricing Disclosure Package and the Prospectus, no payments of dividends made to holders of Common Shares who are non-residents of Luxembourg currently are subject to income, withholding or other taxes under laws and regulations of Luxembourg or any political subdivision or taxing authority thereof or therein and such payments will be free and clear of any other tax, duty, withholding or deduction in Luxembourg or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in Luxembourg or any political subdivision or taxing authority thereof or therein.

(az) *No Requirement to Qualify to do Business.* It is not necessary under the laws of Luxembourg that any holder of Common Shares or the Underwriters should be licensed, qualified or entitled to carry on business in Luxembourg, as the case may be, (i) to enable any of them to enforce their respective rights under this Agreement or the Common Shares or the offer or sale of the Shares as described in the Pricing Disclosure Package or any other document to be delivered in connection herewith or therewith or (ii) solely by reason of the execution, delivery or performance of any such document.

(ba) *Indemnification and Contribution.* The indemnification and contribution provisions set forth in Section 9 hereof do not contravene Luxembourg law, public order, mandatory law or public policy.

(bb) *No Immunity.* The Company is not, and none of the properties of the Company is, subject to any right or immunity under European Union, Luxembourg, Argentine, U.S. federal or New York state law from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any European Union, Luxembourg, Argentine, U.S. federal or New York state court, from service of process, attachment upon or prior to judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court with respect to its obligations, liabilities or any other matter under or arising out of or in connection herewith; and to the extent that the Company or any of its subsidiaries or any of its properties, assets or revenue may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings arising out of, or relating to the transactions contemplated hereby, may at any time be commenced, the Company has waived or will waive such right to the extent permitted by law and has consented to such relief and enforcement as provided herein.

(bc) *Enforcement of Foreign Judgments.* Any final judgment for a fixed or determined sum of money rendered by any U.S. federal or New York state court located in the State of New York (each, a "New York Court") having jurisdiction under its own laws in respect of any suit, action or proceeding against the Company based upon this Agreement would be declared enforceable against the Company by the courts of Luxembourg, without reconsideration or reexamination of the merits; *provided that* (i) the judgment of the New York Court is final and enforceable (*exécutoire*) in the United States; (ii) the New York Court had jurisdiction over the subject matter leading to the judgment; (iii) the New York Court has applied to the dispute the substantive law that would have been applied by Luxembourg courts; (iv) the judgment was granted following proceedings where the counterparty had the opportunity to appear and, if it appeared, to present a defense, and the decision of the New York Court must not have been obtained by fraud, but in compliance with the rights of the defendant; (v) the New York Court has acted in accordance with its own procedural laws; (vi) the judgment of the New York Court does not contravene Luxembourg international public policy; and (vii) the New York Court proceedings were not of a criminal or tax nature.

(bd) *Valid Choice of Law.* The choice of laws of the State of New York as the governing law of this Agreement is a valid choice of law under the laws of Luxembourg and should be honored by the courts of Luxembourg.

(be) *No Requirement to File or Record.* To ensure the legality, validity, enforcement or admissibility into evidence of this Agreement in a legal or administrative proceeding in Luxembourg, it is not necessary that (i) this Agreement be filed or recorded with any governmental or regulatory authority or court, except that Luxembourg courts may require that any document tabled as evidence be translated into French or German and further except that, in the case of (x) proceedings before a Luxembourg court or (y) the presentation of this Agreement (either directly or by way of reference) to an *autorité constituée*, such court or *autorité constituée* may require registration of this Agreement and of all or part of the documents referred to in this Agreement with the *Administration de l'Enregistrement et des Domaines* in Luxembourg, which may result in registration duties becoming due and payable, at a fixed rate of €12 or at an ad valorem rate which depends on the nature of the registered document, or (ii) that any registration tax, stamp duty or similar tax be paid on or in respect of this Agreement other than court costs (including, without limitation, filing fees, registration duties and deposits to guarantee judgment required by a court in Luxembourg), except as provided in clause (i) of this Section 3(eee).

(bf) *Submission to Jurisdiction.* The Company has the power to submit, and pursuant to Section 17(c) hereof has legally, validly, effectively and irrevocably submitted, to the jurisdiction of any U.S. federal or New York state court located in the Borough of Manhattan in The City of New York and has the power to designate, appoint and empower, and pursuant to Section 17(c) hereof, has legally, validly and effectively designated, appointed and empowered an agent for service of process in any suit or proceeding based on or arising under this Agreement in any U.S. federal or New York state court located in the Borough of Manhattan in The City of New York, and service of process effected in the manner set forth in this Agreement, assuming validity under the laws of the State of New York, will be effective under the laws of Luxembourg to confer valid personal jurisdiction over the Company.

(bg) *Exchange Controls.* No exchange control authorization or any other authorization, approval, consent or license of any governmental or regulatory authority or court in Luxembourg is required for the payment of any amounts payable to the Underwriters or the Company under this Agreement.

(bh) *No Withholding Taxes.* All payments made to the Underwriters or the Company under this Agreement will not be subject to income, withholding or other taxes under laws and regulations of Luxembourg or any political subdivision or taxing authority thereof or therein and will otherwise be free and clear of any other tax, duty, withholding or deduction in Luxembourg or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in Luxembourg or any political subdivision or taxing authority thereof or therein.

4. [RESERVED].

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company shall file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, as applicable, shall file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and shall furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters

in New York City prior to 10:00 A.M. (New York City time) on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* The Company shall deliver, without charge, (i) to the Representatives, three signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of U.S. counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* During the Prospectus Delivery Period and before (i) preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and (ii) filing any amendment or supplement to the Registration Statement or the Prospectus, the Company shall furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and shall not prepare, use, authorize, approve, refer to or file any such proposed Issuer Free Writing Prospectus, amendment or supplement to which the Representatives reasonably object.

(d) *Notice to the Representatives.* The Company shall advise the Representatives promptly, and confirm such advice in writing (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Prospectus or any Issuer Free Writing Prospectus or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information; (v) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, the Pricing Disclosure Package or any Issuer Free Writing Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package or any such Issuer Free Writing Prospectus is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company shall use its best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus suspending any such qualification of the Shares and, if any such order is issued, shall obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company shall immediately notify the Underwriters thereof and forthwith prepare and, subject to Section 5(c) hereof, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with applicable law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with applicable law, the Company shall immediately notify the Underwriters thereof and forthwith prepare and, subject to Section 5(c) hereof, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with applicable law.

(f) *Blue Sky Compliance.* The Company shall qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and shall continue such qualifications in effect so long as required for distribution of the Shares; *provided* that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earnings Statement.* The Company shall make generally available to its security holders and the Representatives as soon as practicable an earnings statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least 12 months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement.

(h) *Clear Market.* For a period of 90 days after the date of the Prospectus, the Company shall not (i) offer, pledge, sell, announce the intention to sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or file with the Commission a registration statement (or equivalent) under the Securities Act or in Luxembourg or any other jurisdiction relating to, any Common Shares or other share capital of the Company or any securities convertible into or exercisable or exchangeable for Common Shares or other share capital of the Company, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any Common Shares or other share capital of the Company or any such other securities, whether any such transaction described in

clause (i) or (ii) is to be settled by delivery of any Common Shares or other share capital of the Company or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than (w) the Shares to be sold hereunder, (x) any Common Shares or other share capital of the Company issued upon the exercise of options or other awards outstanding on the date hereof or granted under Company Share Plans, (y) the filing of a registration statement on Form S-8 relating to an offering of securities pursuant to or reserved for issuance under the Company's Company Share Plans or any options granted to employees of the Company or any of its subsidiaries prior to the date hereof or (z) the entry into an agreement providing for the issuance by the Company of Common Shares or any security convertible into or exercisable for Common Shares in connection with an acquisition, merger, joint venture, strategic alliance or partnership, which is not for the purpose of a raising capital, entered into by the Company or any of its subsidiaries, and the issuance of any such securities pursuant to any such agreement; *provided* that, in the case of this clause (z), (i) the aggregate number of Common Shares that the Company may issue or agree to issue (including any securities convertible into or exercisable for Common Shares) shall not exceed the number of shares equivalent to 5% of the issued and outstanding Common Shares on the Closing Date and (ii) the Company shall cause each recipient of such Common Shares or other securities to execute and deliver to the Representatives, on or prior to the date of issuance of such Common Shares or other securities, a lock-up agreement in the form set forth as Exhibit A hereto.

(i) *No Stabilization.* The Company shall not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Common Shares.

(j) *Exchange Listing.* For so long as the Company is a reporting company pursuant to Section 12 or Section 15 of the Exchange Act, the Company shall use its reasonable best efforts to maintain the listing of the Shares on the Exchange.

(k) *Reports.* During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, the Company shall furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; *provided* the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis, and Retrieval system.

(l) *Record Retention.* The Company shall, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(m) *Filings.* The Company shall file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(n) *Tax Gross-Up.* The Company agrees with each of the Underwriters to make all payments under this Agreement without withholding or deduction for or on account of any present or future taxes, duties or governmental charges whatsoever imposed by any applicable taxing jurisdiction ("Taxing Jurisdiction"), unless the Company is compelled by law to deduct or withhold such taxes, duties or charges. In that event, the Company shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction will equal the amounts that would have been received if no withholding or deduction had been made, except to the extent that such taxes, duties or charges (a) were imposed due to

some connection of an Underwriter with the Taxing Jurisdiction other than the mere entering into of this Agreement or receipt of payments hereunder or (b) would not have been imposed but for the failure of such Underwriter to comply with any reasonable certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the Taxing Jurisdiction of the Underwriter if such compliance is timely requested by the Company and required or imposed by the applicable law as a precondition to an exemption from, or reduction in, such taxes, duties or other charges.

(o) *Filing Fees.* To pay the required Commission filing fees relating to the Shares within the time required by Rule 456(b)(1) under the Securities Act without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) under the Securities Act.

(p) *Use of Proceeds.* The Company shall apply the net proceeds from the sale of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the caption "Use of Proceeds."

(q) *Transfer Taxes.* The Company shall bear and pay (or, in respect of any Transfer Tax for which the Underwriters are initially liable, shall promptly reimburse the same to the Underwriters) any Transfer Taxes (together with any related costs, fines, penalties or interest) that are payable on or in connection with (i) the creation, issuance, subscription, distribution, offer and sale and/or delivery of the Shares to be issued by it to the Underwriters and to subscribers procured by the Underwriters and (ii) the execution, delivery and performance of this Agreement, and any value added tax payable in connection with the commissions and other amounts payable or allowable by the Company. The Company agrees that the Underwriters may each elect to deduct from the payments to be made by them to the Company under this Agreement, any amounts required to be paid by the Company under this Section 5(q).

(r) *Investment Company Act.* The Company shall not invest, or otherwise use the proceeds received by the Company from the sale of the Shares in such a matter as would require the Company or any of its subsidiaries to register as an investment company under the Investment Company Act.

6. [RESERVED].

7. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not used, authorized use of, referred to or participated in the planning for use of, and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus," as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex C or prepared pursuant to Section 3(c) hereof (including any electronic road show), or (iii) any free writing prospectus prepared by such Underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and shall not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

8. **Conditions of Underwriters' Obligations.** The obligation of each Underwriter to subscribe for and purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein, is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) **Registration Compliance; No Stop Order.** No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) **Representations and Warranties.** The representations and warranties of the Company contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) **No Material Adverse Change.** No event or condition of a type described in Section 3(i) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) **Officers' Certificates.** The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, (x) a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is satisfactory to the Representatives (i) confirming that such officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the best knowledge of such officers, the representations of the Company set forth in Sections 3(b) and 3(f) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in Sections 8(a) and (c) hereunder.

(e) **Comfort Letters.** On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, each of Deloitte & Co. S.A. and Price Waterhouse & Co. S.R.L. shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Representatives on behalf of the Underwriters, in form and substance satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to

underwriters with respect to the financial statements and certain financial information contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus; *provided*, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a “cut-off” date no more than three business days prior to such Closing Date or Additional Closing Date, as the case may be.

(f) *Opinion and 10b-5 Disclosure Letter of U.S. Counsel for the Company.* DLA Piper LLP (US), U.S. counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 disclosure letter, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-1 hereto.

(g) *Opinion of Luxembourg Counsel for the Company.* Arendt & Medernach, Luxembourg counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-2 hereto.

(h) *Opinion of Argentine Counsel for the Company.* Marval O’Farrell Mairal, special Argentine counsel for the Company, shall have furnished to the Representatives their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-3 hereto.

(i) *Opinion and 10b-5 Disclosure Letter of U.S. Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 disclosure letter of Simpson Thacher & Bartlett LLP, U.S. counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(j) *Opinion of Luxembourg Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion of Elvinger Hoss Prussen, *société anonyme*, Luxembourg counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any European Union, Luxembourg, Argentine or U.S. federal, state or local or other governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares; and no injunction or order of any European Union, Luxembourg, Argentine or U.S. federal, state or local or other court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares.

(l) *Good Standing.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company, Globant, LLC, Software Production Creation SL and Globant España S.A. (*sociedad unipersonal*) in their respective jurisdictions of organization, in each case in

writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(m) *Exchange Listing.* The Shares to be delivered on the Closing Date and the Additional Closing Date shall have been approved for listing on the Exchange.

(n) *Lock-up Agreements.* The “lock-up” agreements, each substantially in the form of Exhibit A hereto, delivered to the Representatives by certain shareholders, officers and directors of the Company listed in Annex D hereto relating to sales and certain other dispositions of Common Shares or certain other securities, delivered to you on or before the date hereof, shall be in full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(o) *Additional Documents.* On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors, officers, employees and agents and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any road show as defined in Rule 433(h) under the Securities Act (a “road show”), or the Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(b) hereof.

(b) *Indemnification of the Company.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in Section 9(a) hereof, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue

statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, any Preliminary Prospectus, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus any road show or the Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the information contained in the seventh, ninth and tenth paragraphs under the caption "Underwriting."

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to Section 9(a) or (b) hereof, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; *provided* that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under Section 9(a) or (b) hereof except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and *provided, further*, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under Section 9(a) or (b) hereof. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person in such proceeding and shall pay the fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives, any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this Section 9(c), the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall,

without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in Sections 9(a) and (b) hereof is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company, on the one hand, from the sale of the Shares, as applicable, and the total underwriting discounts and commissions received by the Underwriters, on the other hand, in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company, on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to Section 9(d) hereof were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 9(c) hereof. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in Section 9(d) hereof shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of Sections 9(c) and (d) hereof, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant Sections 9(c) and 9(d) hereof are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

10. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company, if after the execution and delivery of this Agreement and prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the Exchange, the American Stock Exchange, The Nasdaq Stock Market, the Chicago Board Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by U.S. federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to subscribe for and purchase the Shares that it has agreed to subscribe for and purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the subscription and purchase of such Shares by other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the subscription and purchase of such Shares, then the Company shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to subscribe for and purchase such Shares on such terms. If other persons become obligated or agree to subscribe for and purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, subscribes for and purchases Shares that a defaulting Underwriter agreed but failed to subscribe for and purchase.

(b) If, after giving effect to any arrangements for the issuance and subscription and purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company as provided in Section 11(a) hereof, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be subscribed for and purchased on such date, then the Company shall have the right to require each non-defaulting Underwriter to subscribe for and purchase the number of Shares that such Underwriter agreed to subscribe for and purchase hereunder on such date plus such Underwriter's *pro rata* share (based on the number of Shares that such Underwriter agreed to subscribe for and purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the subscription and purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company as provided in Section 11(a) hereof, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be subscribed and purchased on such date, or if the Company shall not exercise the right described in Section 11(b) hereof, then the remaining Underwriters shall have the right to subscribe for and purchase all, but shall not be under any obligation to subscribe for and purchase any, of the Shares, and if such non-defaulting Underwriters do not subscribe for and purchase all the Shares, this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to subscribe for and purchase Shares on the Additional Closing Date shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 12 shall be without liability on the part of the Company, except that the Company shall continue to be liable for the payment of expenses as set forth in Section 13 hereof and except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company agrees to pay or cause to be paid all costs and expenses incident to the performance of the Company's obligations hereunder, including, without limitation, (i) the costs incident to the issuance, sale, preparation and delivery of the Shares and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, the Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto and all documents incorporated therein by reference) and the distribution thereof; (iii) the fees and expenses of the Company's counsels and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the state or foreign securities or blue sky laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (v) the issuance and delivery of the Shares, including any Transfer Taxes in connection with the issuance or sale of the Shares or the execution of this Agreement; (vi) the costs and charges of any transfer agent and any registrar; (vii) all expenses incurred by the Company in connection with any "road show" presentation to potential investors including, without limitation, expenses associated with the production of road show videos, slides and graphics, reasonable and documented fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of aircraft and other transportation chartered in connection with the road show; and (viii) all expenses and application fees related to the listing of the Shares on the Exchange. It is understood, however, that, except as specifically provided in this Section 13(a) and in Section 9 hereof, the Underwriters shall pay their own costs and expenses, including the fees of their counsel, any transfer taxes on the resale of Shares and any advertising expenses in connection with offers to prospective purchasers of the Shares. For the avoidance of doubt, the Underwriter Claim shall become immediately unquestioned, due and payable on the Closing Date prior to the issue of the Underwritten Shares or on the Additional Closing Date prior to the issue of the Option Shares, as applicable, and shall be offset in an equal amount against, and therefore deducted from, the Price to Public per Share set forth on Annex B hereto (in payment thereof in equal amounts).

(b) If (i) this Agreement is terminated pursuant to Section 11 hereof, (ii) the Company for any reason fails to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to subscribe for and purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Underwriters. The provisions of Sections 9 and 13(b) hereof shall survive the termination or cancellation of this Agreement.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term “affiliate” has the meaning set forth in Rule 405 under the Securities Act; (b) the term “business day” means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term “subsidiary” has the meaning set forth in Rule 405 under the Securities Act ; and (d) the term “significant subsidiary” has the meaning set forth in Rule 1-02 of Regulation S-X under the Exchange Act.

17. Miscellaneous.

(a) Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Registration Department and Citigroup Global Markets Inc., 388 Greenwich Street, New York, NY 10013 (fax: 1-646-291-1469), Attention: General Counsel. Notices to the Company shall be given to it at 37A Avenue J.F. Kennedy, L-1855, Luxembourg (fax: +54 11 4109-1800 ext. 8100); Attention: Sol Mariel Noello, General Counsel.

(b) Governing Law. This Agreement, and any claim, controversy or dispute arising under or related to this Agreement, shall be governed by and construed in accordance with the laws of the State of New York.

(c) Submission to Jurisdiction. The Company hereby submits to the jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company waives any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. The Company irrevocably appoints Corporation Service Company, 1180 Avenue of the Americas, New York, New York 10036 as its authorized agent in the Borough of Manhattan in The City of New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon

such authorized agent, and written notice of such service to the Company by the person serving the same to the address provided in Section 17(a) hereof, shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company hereby represents and warrants that its authorized agent has accepted such appointment and has agreed to act as such authorized agent for service of process. The Company further agrees to take any and all action as may be necessary to maintain such designation and appointment of its authorized agent in full force and effect for a period of seven years from the date of this Agreement. Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(d) *Judgment Currency.* The Company agrees to indemnify each Underwriter, its directors, officers, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any loss incurred by such Underwriter as a result of any judgment or order being given or made for any amount due hereunder and such judgment or order being expressed and paid in a currency (the “judgment currency”) other than U.S. dollars and as a result of any variation as between (i) the rate of exchange at which the U.S. dollar amount is converted into the judgment currency for the purpose of such judgment or order, and (ii) the rate of exchange at which such indemnified person is able to purchase U.S. dollars with the amount of the judgment currency actually received by the indemnified person. The foregoing indemnity shall constitute a separate and independent obligation of the Company, and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term “rate of exchange” shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

(e) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(f) *Waiver of Immunity.* To the extent that the Company has or hereafter may acquire any immunity (sovereign or otherwise) from jurisdiction of any court of (i) the European Union, Luxembourg, Argentina or any political subdivision thereof, (ii) the United States or the State of New York, (iii) any jurisdiction in which it owns or leases property or assets or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution, set-off or otherwise) with respect to itself or its property and assets or this Agreement, the Company hereby irrevocably waives such immunity in respect of its obligations under this Agreement to the fullest extent permitted by applicable law.

(g) *Recognition of the U.S. Special Resolution Regimes.*

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 16(g):

“BHC Act Affiliate” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(h) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(i) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

(j) *Integration.* This Agreement supersedes all prior agreements and understandings (whether written or oral) among the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

(k) *USA Patriot Act.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

[Signature pages follow]

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

GLOBANT S.A.

By: /s/ Sol Mariel Noello
Name: Sol Mariel Noello
Title: General Counsel

Accepted: May 25, 2021

For themselves and on behalf of the
several Underwriters listed
in Schedule 1 hereto.

GOLDMAN SACHS & CO. LLC

By: /s/ Facundo Vazquez
Name: Facundo Vazquez
Title: Managing Director

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Eishpal Dhillon
Name: Eishpal Dhillon
Title: Managing Director

<u>Underwriter</u>		<u>Number of Shares</u>
Goldman Sachs & Co. LLC		511,862
Citigroup Global Markets Inc.		382,759
J.P. Morgan Securities LLC		221,586
Santander Investment Securities Inc.		27,931
Wedbush Securities Inc.		27,931
William Blair & Company, L.L.C.		27,931
	Total	1,200,000

Significant Subsidiaries

<u>Subsidiary</u>	<u>Jurisdiction of Organization</u>
Sistemas Globales S.A.	Argentina
Globant, LLC	USA (Delaware)
Software Production Creation SL	Spain
Globant España S.A. (<i>sociedad unipersonal</i>)	Spain

Sch. 2-1

Pricing Information

Price to Public: U.S.\$214.00 per Share

Annex B-1

Issuer Free Writing Prospectuses

1. Issuer Free Writing Prospectus dated May 24, 2021 filed with the Commission on May 24, 2021.

Annex C-1

Shareholders, Directors and Officers of the Company to provide Lock-Up Agreements

<u>Name</u>	<u>Title</u>
Martín Migoya	Chairman of the Board and Chief Executive Officer
Martín Gonzalo Umaran	Director and Chief Corporate Development Officer
Guibert Andrés Englebienne	Director and President of Globant X and Globant Ventures
Francisco Álvarez-Demalde	Director
Mario Eduardo Vásquez	Director
Philip A. Odeen	Director
Linda Rottenberg	Director
Richard Haythornthwaite	Director
Maria Pinelli	Director
Juan Ignacio Urthiague	Chief Financial Officer
Sol Mariel Noello	General Counsel
Wanda Weigert	Chief Brand Officer
Patricia Pomies	Chief Operating Officer
Diego Tartara	Chief Technology Officer
Noltur S.A.	Shareholder
Mifery S.A.	Shareholder
Ewerzy S.A.	Shareholder

Form of Lock-Up Agreement

May 25, 2021

Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

Re: Globant S.A. — Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an Underwriting Agreement (the "Underwriting Agreement") with Globant S.A. (the "Company"), a *société anonyme* organized under the laws of Luxembourg, providing for the public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of common shares of the Company (the "Shares"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to subscribe for and purchase and make the Public Offering of the Shares, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of the Representatives, the undersigned shall not, during the period (the "Lock-Up Period") ending 60 days after the date of the final prospectus relating to the Public Offering (the "Prospectus"), (1) offer, pledge, sell, announce the intention to sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any common shares of the Company (the "Common Shares") or other share capital of the Company or any securities convertible into or exercisable or exchangeable for Common Shares or other share capital of the Company (including without limitation, Common Shares or other share capital of the Company or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Commission and securities which may be issued upon exercise of a share option or warrant), or publicly disclose the intention to make any offer, sale, pledge or disposition, (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Shares or other share capital of the Company or such other securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Shares or other share capital of the Company or such other securities, in cash or otherwise or (3) make any demand for or exercise any right with respect to the registration of any Common Shares or other share capital of the Company or any security convertible into or exercisable or exchangeable for Common Shares or other share capital of the Company without the prior written consent of the Representatives, in

Exhibit A-1

each case other than (A) transfers of Common Shares or other share capital of the Company as a *bona fide* gift or gifts, including as a result of the operation of law or estate or intestate succession; (B) if the undersigned is a natural person, to (i) a member of the immediate family of the undersigned (for purposes of this Letter Agreement, “immediate family” shall mean any relationship by blood, marriage, or adoption, not more remote than first cousin), (ii) any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, and/or charitable organizations or (iii) a corporation, partnership, limited liability company or other entity of which the undersigned and the immediate family of the undersigned are the direct or indirect legal and beneficial owners of all the outstanding equity securities or similar interests of such corporation, partnership, limited liability company or other entity; (C) if the undersigned is a corporation, partnership, limited liability company or other entity, to (i) any trust or other entity for the direct or indirect benefit of the undersigned or any affiliate, wholly-owned subsidiary, limited partner, member or stockholder of the undersigned, (ii) a corporation, partnership, limited liability company or other entity of which the undersigned and any affiliate, wholly-owned subsidiary, limited partner, member or stockholder of the undersigned are the direct or indirect legal and beneficial owners of all the outstanding equity securities or similar interests of such corporation, partnership, limited liability company or other entity, (iii) partners, members or shareholders of the undersigned, or (iv) pursuant to an order of a court or regulatory agency having jurisdiction over the undersigned or in compliance with applicable law or regulation; (D) to the undersigned’s affiliates or to any investment fund or other entity controlled or managed by the undersigned; [and] (E) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Common Shares; *provided* that such plan does not provide for the transfer of Common Shares during the Lock-Up Period and, other than any filing required to be made pursuant to Section 13 or Section 16 of the Exchange Act after the expiration of the Lock-Up Period, no public announcement of the establishment or existence of such plan and no filing with the Commission or other regulatory authority in respect of such plan or transactions thereunder or contemplated thereby, by the undersigned, the Company or any other person, shall be made by the undersigned, the Company or any other person, prior to the expiration of the Lock-Up Period [and (F) sales of up to [●] Common Shares under a trading plan pursuant to Rule 10b5-1 under the Exchange Act¹; *provided* that in the case of any transfer or distribution pursuant to clause (A), (B), (C) or (D), each donee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this paragraph; and *provided, further*, that in the case of any transfer or distribution pursuant to clause (A), (B), (C) or (D), no filing by any party (donor, donee, transferor or transferee) under the Exchange Act, or other public announcement, shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Lock-Up Period). If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Shares the undersigned may purchase in the Public Offering.

Furthermore, the undersigned may exercise options to purchase Common Shares or receive Common Shares upon the vesting of restricted stock awards in each case pursuant to the Company Share Plans (as defined in the Underwriting Agreement) or as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus and effect the related transfer of Common Shares to the Company (i) deemed to occur upon the cashless exercise of such options or (ii) for the primary purpose of paying the exercise price of such options or for paying taxes (including estimated taxes) due as a result of the exercise of such options or as a result of the vesting of such Common Shares under such restricted stock awards; *provided* that no filing under Section 16 of the Exchange Act reporting a disposition of Common Shares shall be required or shall be voluntarily made in connection with such exercise or vesting;

¹ Clause (F) to be included only in Lock-up Agreements provided by Martin Migoya (12,000) and Guibert Englebienne (5,000).

and *provided, further* that the Common Shares purchased or received by the undersigned remain subject to this Letter Agreement.

The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Common Shares, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Common Shares, in cash or otherwise.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, is hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

This Letter Agreement shall automatically terminate upon the date that the Company provides written notice to the Representatives that the Company has determined not to proceed with the proposed Public Offering and is terminating this Letter Agreement on behalf of all of the Company's holders of Common Shares subject to this Letter Agreement; *provided* that the Company and the Representatives shall not have executed the Underwriting Agreement on or prior to such date. Assuming the Underwriting Agreement has been executed, this Letter Agreement shall automatically terminate upon the date that the Underwriting Agreement is terminated in accordance with its terms if such termination occurs prior to the closing of the sale of the Shares as contemplated thereby. This Letter Agreement shall lapse and become null and void if the execution of the Underwriting Agreement has not occurred prior to September 30, 2021. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

[Signature page follows]

Exhibit A-3

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

[NAME OF SIGNATORY]

By: _____
Name:
Title:

Exhibit A-4

Exhibit 8.1

List of Subsidiaries as of February 11, 2022

Globant España S.A. (<i>sociedad unipersonal</i>)	Spain	100% Globant S.A.
Software Product Creation S.L.	Spain	55.65% Globant España S.A. (<i>sociedad unipersonal</i>)
		44.35% Globant S.A.
Hybrido Worldwide S.L.	Spain	100% Software Product Creation S.L.
Walmeric Soluciones S.L.	Spain	80% Software Product Creation S.L.
Bluecap Management Consulting S.L.	Spain	100% Software Product Creation S.L.
Augmented Coding Spain S.A.	Spain	100% Globant S.A.
Globant France S.A.S.	France	100% Globant S.A.
Globant UK Ltd. (<i>f.k.a. Sistemas UK Ltd.</i>)	England & Wales	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Cloudshiftgroup Ltd.	England & Wales	100% Globant UK Ltd.
The Hansen Partnership Ltd.	England & Wales	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Globant Bel LLC	Belarus	99.9998% Globant España S.A. (<i>sociedad unipersonal</i>)
		0.0002% Software Product Creation S.L.
Globant IT Romania S.R.L. (<i>f.k.a. Small Footprint S.R.L.</i>)	Romania	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Globant India Pvt. Ltd.	India	99.99% Globant España S.A. (<i>sociedad unipersonal</i>)
		0.01% Software Product Creation S.L.
Hansen Techsol Pvt. Ltd.	India	99.99% The Hansen Partnership Ltd.
Software Product Creation S.L. - Dubai Branch (<i>dormant</i>)	Dubai	Branch of Software Product Creation S.L.
Globant Singapore Pte. Ltd.	Singapore	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Globant Germany GmbH	Germany	100% Globant S.A.
Hansen Consulting B.V.	The Netherlands	100% The Hansen Partnership Ltd.
Globant, LLC	USA	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Globant IT Services Corp.	USA	100% Globant, LLC
Grupo Assa Corp.	USA	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Augmented Coding US, LLC	USA	100% Augmented Coding Spain S.A.
Navint Partners, LLC	USA	100% Globant, LLC
Globant Canada Corp.	Canada	100% Globant España S.A. (<i>sociedad unipersonal</i>)
IAFH Globant IT México S. de R.L. de C.V. (<i>f.k.a. Global Systems Outsourcing S. de R. L. de C.V.</i>)	Mexico	99.9977% Globant España S.A. (<i>sociedad unipersonal</i>)
		00.0023% IAFH Global S.A.
GASA México Consultoría y Servicios S.A de C.V.	Mexico	99.80% Globant España S.A.
		0.20% IAFH Global S.A.
Grupo Assa México Soluciones Informáticas S.A. de C.V.	Mexico	99.996% Globant España S.A. (<i>sociedad unipersonal</i>)
		0.00045% IAFH Global S.A.
Sistemas Colombia S.A.S.	Colombia	99.99997% Globant España S.A. (<i>sociedad unipersonal</i>)
		00.00003% Software Product Creation S.L.
Avanxo Colombia	Colombia	Branch of Globant España S.A. (<i>sociedad unipersonal</i>)

Globant Colombia S.A.S.	Colombia	99,99% Globant España S.A. (<i>sociedad unipersonal</i>)
		0.01% Software Product Creation S.L.
Globant Peru S.A.C.	Peru	96.81% Globant España S.A. (<i>sociedad unipersonal</i>)
		3.19% Software Product Creation S.L.
Sistemas Globales Costa Rica Limitada	Costa Rica	90% Globant España S.A. (<i>sociedad unipersonal</i>)
		10% Software Product Creation S.L.
Globant-Ecuador S.A.S.	Ecuador	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Sistemas Globales Chile Asesorías Ltda.	Chile	95.183411% Globant España S.A. (<i>sociedad unipersonal</i>)
		4.816589% Software Product Creation S.L.
Globant Brasil Consultoria Ltda.	Brazil	100% Globant España S.A. (<i>sociedad unipersonal</i>)
CTN Consultoria, Tecnología e Negocios Ltda.	Brazil	100% Globant España S.A. (<i>sociedad unipersonal</i>)
IBS Integrated Business Solutions Consultoria Ltda.	Brazil	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Global Digital Business Solutions em Tecnologia Ltda.	Brazil	99% IBS Integrated Business Solutions Consultoria Ltda.
		1% CTN Consultoria, Tecnología e Negocios Ltda.
Sistemas Globales Uruguay S.A.	Uruguay	100% Globant España S.A. (<i>sociedad unipersonal</i>)
Difier S.A.	Uruguay	100% Globant España S.A. (<i>sociedad unipersonal</i>)
IAFH Global S.A.	Argentina	89.95% Globant España S.A. (<i>sociedad unipersonal</i>)
		10.05% Software Product Creation S.L.
Sistemas Globales S.A.	Argentina	90.07% Globant España S.A. (<i>sociedad unipersonal</i>)
		9.93% Software Product Creation S.L.
Globers S.A.	Argentina	95.00% IAFH Global S.A.
		05.00% Sistemas Globales S.A.
Dynaflows S.A.	Argentina	94.99% Sistemas Globales S.A.
		5.01% Globant España S.A. (<i>sociedad unipersonal</i>)
Globant Ventures S.A.S.	Argentina	100% Sistemas Globales S.A.
Avanxo S.A.	Argentina	99.97% Globant España S.A. (<i>sociedad unipersonal</i>)
		00.03% Software Product Creation S.L.
BSF S.A.	Argentina	99.99% Globant España S.A. (<i>sociedad unipersonal</i>)
		00.01% Software Product Creation S.L.
Xappia S.R.L.	Argentina	95% Globant España S.A. (<i>sociedad unipersonal</i>)
		5% Software Product Creation S.L.
Banking Solutions S.A.	Argentina	94.48% Globant España S.A. (<i>sociedad unipersonal</i>)
		5.52% Software Product Creation S.L.
Decision Support S.A.	Argentina	98.79% Globant España S.A. (<i>sociedad unipersonal</i>)
		1.21% Software Product Creation S.L.
Atix Labs S.R.L.	Argentina	95% Globant España S.A. (<i>sociedad unipersonal</i>)
		5% Software Product Creation S.L.

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002 (18 U.S.C. §1350)

I, Martín Migoya, certify that:

1. I have reviewed this annual report on Form 20-F of Globant S.A. (the “Company”) for the fiscal year ended December 31, 2021;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this annual report;
4. The Company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal control over financial reporting.

Date: February 28, 2022

/s/ Martín Migoya

Martín Migoya

Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002 (18 U.S.C. §1350)**

I, Juan Urthiague, certify that:

1. I have reviewed this annual report on Form 20-F of Globant S.A. (the "Company") for the fiscal year ended December 31, 2021;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this annual report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: February 28, 2022

/s/ Juan Urthiague

Juan Urthiague
Chief Financial Officer

Officer Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Globant S.A (the "Company"), hereby certifies, to such officer's knowledge, that:

The annual report on Form 20-F for the year ended December 31, 2021 (the "Report") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2022

/s/ Martín Migoya

Martín Migoya

Chief Executive Officer

Officer Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Globant S.A (the "Company"), hereby certifies, to such officer's knowledge, that:

The annual report on Form 20-F for the year ended December 31, 2021 (the "Report") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2022

/s/ Juan Urthiague

Juan Urthiague
Chief Financial Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-201602, 333-211835, 333-232022 and 333-255113) of Globant S.A. of our report dated February 28, 2022 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PRICE WATERHOUSE & CO. S.R.L.
Autonomous City of Buenos Aires, Argentina
February 28, 2022



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CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in registration statements No. 333-201602, 333-211835, 333-232022 and 333-255113 on Form S-8 of our report dated February 25, 2020, relating to the consolidated financial statements of Globant S.A. for the year ended December 31, 2019, appearing in this Annual Report on Form 20-F of Globant S.A. for the year ended December 31, 2021.

/s/ Deloitte & Co. S.A.

City of Buenos Aires, Argentina
February 28, 2022

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